

The Nation's Largest Underwriter

LIFE INSURANCE EDITION

FRIDAY, NOVEMBER 10, 1933



A family without Life insurance is like a ship *without* life boats.

And just as one small life boat isn't enough for an ocean liner, so one small policy isn't enough for a family. But one is better than none and many families start with one.

The Travelers Insurance Company has a new Hundred a Month plan that is one of the best life boats ever designed. It's a good policy to start with, and it's also a good policy to add to the policy or policies a client possesses.

It will pay a Hundred a Month for twelve months, 24 months, 36 months, or any number of months that a family feels it can afford to buy.

THE
HARTFORD

TRAVELERS
CONNECTICUT

The Travelers Insurance Company
The Travelers Indemnity Company
The Travelers Fire Insurance Company
L. Edmund Zacher, President

ALL FORMS OF LIFE, CASUALTY, FIRE INSURANCE AND ANNUITIES



"YOU CAN HIT TOP COMMISSIONS WITH OUR POLICIES"

WRITE FOR GENERAL AGENCY PROPOSITION
AND TERRITORY

 **RESERVE LOAN LIFE**
INSURANCE COMPANY
INDIANAPOLIS, INDIANA. 

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Seventh Year—No. 45

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, NOVEMBER 10, 1933

\$3.00 Per Year, 15 Cents a Copy

Changes Expected in Income Option

Many Companies Plan Move in
Line with Advance in An-
nuity Rates

NO IMMEDIATE ACTION

Larger Yield Under Installment Fea-
ture in Regular Policy Is Bone
of Contention

NEW YORK, Nov. 9.—Many life companies are planning to change the life income options of their policy contracts during the next year or so to bring them more into line with the higher annuity rates that have generally been adopted.

Despite the fact that with most companies a beneficiary, particularly a woman, can get a better yield by taking a life income option than by buying an annuity there are several reasons why there is no need of making the change until new policy forms are brought out.

Selection Somewhat Better

For one thing, the volume of such business is relatively small. Then, there is less chance of adverse selection than with straight annuities, as naturally the option can be elected only by those who are beneficiaries under life policies, and not even these in cases where the insured designated the mode of settlement in advance.

The life income option, even if on the same interest and mortality basis, yields a better return to the beneficiary, for no agent's commission comes out of it. However, as rates are at present, the life income option is considerably more favorable than the net annuity rate.

Greater Payments Than Annuity

Comparing the yield on a single premium annuity (at the regular rate) with the life income option for a woman at age 60, some companies will pay more on a life income with 10 or even 15 years certain than the same principal would buy if invested in a straight annuity. In addition to this, the option pays interest dividends during the certain period.

The fact that the agent stands to make a commission by advising a beneficiary to take the proceeds and buy an annuity, while he makes nothing whatever if he advises the settlement option, is sometimes a problem to the companies. They endeavor to give the beneficiary the most favorable possible settlement, yet it would be a physical impossibility to follow up every case to see that an annuity is not being sold where a settlement option would be more to the beneficiary's advantage.

There is some argument, of course, in favor of an annuity, principally that the beneficiary is removed from the

Managing Contract May Be Made for Failed Companies

SEEKING STANDARDIZED FORM

Officials Feel That Interest of Policy-
holders Should Have Immediate
Attention by Receivers

In view of the collapse of some of the legal reserve life companies and the experience so far gained in disposing of them, it is thought that there may be worked out some standard form of service or managing contract that will be fair to all sides. Going companies now hesitate very much to take over a collapsed company by reinsurance, exposing the continuing company to danger because of the uncertain value of the assets of the defunct organization. It has been found by examination of companies that some have brought great havoc to themselves by taking over other companies. They inherited a large amount of grief. This condition was noticed even prior to the depression era.

Values Are More Uncertain

Now that values are far more uncertain and the future has nothing promising, some of the insurance commissioners are inclined to feel that the companies should not take over a defunct company by purchase or reinsurance. Some contracts have been worked out that are said to be very satisfactory whereby a going company simply acts as a managing company and a service charge is made. The assets of the failed company are trusted and will be worked out to the best advantage of the policyholders. The going company guarantees death claims. There is a sufficient lien placed on policies to cover contingencies and there is usually a moratorium placed on surrenders and loans.

Demands Certified Check

The National Life, U. S. A., case introduced a new feature in that the court stipulated that a bidder must put up a certified check of \$25,000. This will keep out a number of chisellers who are simply out for mercenary motives. Whenever a company fails buzzards begin to fly around and the disposition of the company is retarded because of their subtle attacks on any reputable contract that is offered. All that have the interest of policyholders at heart feel that the more dispatch that is used in disposing of a company, the less waste there is.

temptation of withdrawing the money and investing it unwisely. Cases have arisen in which the family of the beneficiary have conferred with the home office, and with all the facts at hand, stated that it would be better to remove temptation by putting the money into an annuity, even though the yield should be a little less.

It is understood that the changes in the optional settlement provisions, when they are issued, will not only alter the rate of return but will also differentiate in the rate according to the sex of the beneficiary.

Possible Hazard of Premium Extension Agreement Debated

CHICAGO ACTUARIES MEETING

Methods of Avoiding Liability in Case
of Nonpayment, New Illinois
Laws Discussed

Possibility that use of an extension agreement as a means of tiding over policyholders who find difficulty in paying the full renewal premium due might be constructed in law as assumption of liability for the full period of the extension, whether the policyholder completes his cash payments under the agreement or not, was considered by the Chicago Actuarial Club at the November meeting Tuesday. It was felt by a number of members that any arrangement involving the phrase "I promise to pay" might make the company liable.

The practice of a number of companies is to treat the partial premium paid in cash as an "extension fee," the item being carried in suspense until full payment is received, when it is transferred to the premium account.

Tell of Various Practices

In view of the difficulties encountered during the depression period in maintaining policies in force, the discussion was interesting. One company will not accept notes on quarterly renewals. Half the premium in cash is demanded on semiannual renewals and the balance is extended 90 days. On annual policies, a quarter is required in cash and extension is for three-quarters of premium for 90 days. An additional quarter of premium in cash at expiration of extension period entitles policyholder to another 90 days, etc. This company uses a premium lien note, preferring it to automatic loan, as under the latter policyholders get in the habit of making loans.

Another company extends four months on annual policies, two months on semiannual and a month on quarterly policies.

Cite New Minnesota Law

The new Minnesota law was cited, making it safe there to issue extension agreements without binding the company to liability for the extension period. In other jurisdictions, some companies play safe by calling the extension agreement an application for extension of time in which to pay premiums.

Some companies underwrite on the extensions. This was considered by some members as inequitable and possibly open to the charge of discrimination.

Changes in Illinois insurance law were discussed, especially the new anti-twist and anti-rebate act. The members debated whether an agent who gave the complete picture on both sides might be considered guilty of misrepresentation because the policyholder elected to drop the old policy and take a new one. It was the consensus that malice probably must be proved.

However, it was granted that Insurance Director Palmer could control the situation by his power of cancelling an

(CONTINUED ON PAGE 17)

Aviation Attitude Is Still Cautious

Companies Are Not Yet Prepared
to Let Down Bars to the
Policyholders

REQUIREMENTS GUARDED

More Interested in Number of Future
Flights Rather Than in Past
Experience

NEW YORK, Nov. 9.—While the life companies have greatly liberalized their underwriting attitude toward aviation in the last five years, especially on policyholders traveling exclusively on scheduled airlines, they are not yet prepared to let down the bars on the basis of any recent improvements in experience on this class of business.

Companies are likely to be somewhat guarded in revealing their exact policy on the number of flights per year they will accept at standard rates or at various ratings. One reason for this attitude is that they want to get an accurate picture of the applicant's flying activities, not one that may have been shaded down to get under the wire or expanded to obtain the maximum liberality which the company is willing to allow. If it becomes generally known, for example, that a certain company is willing to take applicants making a maximum of 20 scheduled flights per year, there is likelihood that this figure will be taken as the standard by those answering the aviation questionnaire.

Interested in Future Flights

What companies are really interested in, of course, is not how many flights the applicant has already made but how many he is likely to make. While a group of companies may have virtually the same maximum number of scheduled flights, they may vary widely in their underwriting because of the different weight which they give to the data before them in determining how many flights the applicant is likely to make.

Where an upward trend is apparent, this must of course be taken into account rather than the number of flights in the last year. Sometimes there is a downward trend, with a very good reason, such as the transfer of a traveling man to an inside job where presumably he will have to do little traveling by plane. Underwriters rely considerably on inspection reports as to the accuracy of their data. If no trend in the number of flights is evident, it is fairly safe to average the number of flights in the last three years.

While scheduled airlines showed a remarkable increase in safety for the first six months of this year, this is considered largely due to luck, a point of view that is upheld by the number of accidents in this division of flying since July 1.

Assets Inventory Made by Receiver

Appraisal of Holdings of National Life, U. S. A., Chicago, Is Started

CLOSE BIDDING DEC. 14

Ancillary Receivers in Other States Show Cooperative Spirit; Ohio Remits Funds

Appraisal of assets of the National Life, U. S. A., Chicago, has been started under direction of Receiver P. J. Lucey. This work will require some time.

An inventory of real estate mortgages, collateral loans, bonds and stocks, as of Oct. 17, was filed with Superior Judge Lindsay of Chicago Tuesday by the receiver. This was on the basis of book values shown by the company, the total being \$32,905,008.

A number of offers for the business of the National Life, U. S. A., probably all on a management basis and contemplating no set up of additional funds, are expected to be filed by next Tuesday, Nov. 14, the final date permitted for the purpose by the court. It is probable that two Chicago companies will make offers, the Washington National and Continental Assurance.

Details of Inventory Given

The inventory showed \$9,792,115 real estate, \$15,737,332 mortgage loans, \$3,211,234 bonds, \$3,181,023 stocks, \$200,000 collateral loan (which has been paid off since Oct. 17), and \$783,303 cash.

Mortgage loans not in foreclosure were: In office \$7,601,729; on deposit with Illinois insurance department \$217,222; on deposit with Iowa insurance department, \$2,272,924; deposited with R. F. C. \$2,743,846. In foreclosure: \$1,280,348 prior to foreclosure sale and \$1,621,260 on which redemption period is running.

The inventory showed \$2,273,247 bonds not pledged, \$882,332 bonds deposited with R. F. C. and \$55,654 bonds deposited with the Dominion of Canada.

Large Block of Bank Stocks

A large portion of the stocks not pledged consisted of capital stock of various banks, including 11,050 shares Continental-Illinois National Bank, Chicago, carried at \$1,798,760; 450 shares Chase National Bank and Chase Securities Corporation, New York, carried at \$105,600; 600 shares capital stock First National Bank, Chicago, \$545,630; 600 shares Guardian Detroit Union Group, Inc., of Detroit, \$153,870; 150 shares Harris Trust & Savings Bank, Chicago, \$105,000; 2,640 shares Union Trust Company, Cleveland, \$101,327; 200 shares American National Bank & Trust Co., Chicago, \$64,000. The bank stocks, especially the Continental Illinois item, were a prime factor in the failure, due to great drop in market price.

Some Carried at "Nil"

There were also carried 2,000 shares of convertible preference (no par value), and 2,000 shares of common (\$1 par) of Chicago Corporation, carried at \$133,375, and 5,000 shares of the 29 South La Salle building, the home office of the National Life, U. S. A., for which value was not shown. There also were 2,545 shares of other stocks, largely bank stocks, the values of which were indicated as "nil" in the company's books and the inventory. Among the bonds were those of

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New Secretary



JAMES C. JONES, JR.

James C. Jones, Jr., of the law firm of Jones, Hocker, Sullivan, Gladney & Reeder, St. Louis, who was recently elected secretary of the Legal Section of the American Life Convention, follows in the footsteps of his father. James C. Jones, Sr., one of the founders of the Legal Section, served as its secretary and later as chairman. James C. Jr., was born July 4, 1887, and therefore has much patriotism in his nature. He graduated from Princeton with the class of 1909 and took his law course at the St. Louis University Law School.

Stops Foreclosures if Home Owners' Bonds Are Refused

OKLAHOMA CITY, Nov. 9.—Judge G. A. Henshaw of the district court here set a new precedent involving insurance companies when he ruled that no corporation will be permitted to complete foreclosure on a home if it has refused to accept bonds of the Home Owners Loan Corporation.

In effect the ruling will bar eviction of any home owner who has applied to the Home Owners Loan Corporation for relief and has been accepted as "distressed."

The judge indicated that if necessary he will call a conference of all district judges, feeling sure they will agree with his policy.

Companies have refused to trade their 6 percent mortgages for the 4 percent bonds, which the judge designated as bad faith. They can carry the bonds in their reserve fund and have an immediate credit outlet of 80 percent of the par value of the bonds. This much will be loaned them immediately by the federal reserve bank or the Home Loan Bank at Wichita, he explained. The judge specially stipulated that this ruling will not apply to individuals holding mortgages on which payments are delinquent.

Contacting Recruits Discussed

At the November meeting of the supervisors group of the Philadelphia Association of Life Underwriters "Contacting the Prospective Agent" was discussed by J. C. Crosby, supervisor Berkshire Life. Mr. Crosby gave a very detailed account of the recruiting, selecting and initial training method in force in the Plummer & Montgomery agency, with which he is affiliated. In the discussion that followed it was agreed that the subject was of such vital interest and importance that the next luncheon meeting will be devoted to it.

Home Office Underwriters Arrange for Fall Meeting

INTERESTING PROGRAM GIVEN

Number of Papers of Keen Interest to the Fraternity Will Be Presented

The fall meeting of the Home Office Life Underwriters Association will be held at the Hotel Roosevelt, New York City, Nov. 15-17. The first day's sessions will be taken up with the occupation committee, Harold Davies, chief occupational rating section Equitable of New York, chairman, presiding. R. F. Edwards, manager statistical department of the Prudential, will report on the glass industry; R. C. Stratton, supervising chemical engineer of the Travelers, on the operation of mercury boilers; A. J. Lanza, assistant medical director Metropolitan Life, on asbestos; H. W. Tichenor, actuarial department Prudential, on fatal accident rates in the manufacture of explosives; J. D. Williamson, assistant actuary Canada Life, on mining and treatment of radium ore in Canada. There will be general discussion on the liquor industry, student electrical engineers and the standard classification of occupations.

There will be a clinic in the morning session of Nov. 17 with Malcolm Adam of the Penn Mutual as chairman.

General Business Sessions

The program for the three general business sessions is:

Nov. 16, Morning Session—9:30 a. m.

President W. F. Rohlf, presiding. Reports of Committees. Report of Secretary. Paper, "The Varied Phases of Non-Medical Underwriting," by L. M. Robotham, secretary life department, Travelers.

Prepared discussion by R. F. Tull, secretary Fidelity Mutual, and L. C. Sandford, assistant secretary New York Life.

Paper, "Mortality in Speculative Occupations with Special Reference to Stock, Produce, Cotton and Real Estate Brokers," by E. G. Walker, assistant supervisor of risks, Mutual of New York.

Paper, "Underwriting Problems in the Southeastern States," by W. H. Dallas, assistant vice-president Aetna Life.

Afternoon Session—2 p. m.

Chairman, F. Phelps Todd, Provident Mutual.

Paper, "Has Selection Actually Become More Drastic in Recent Years," by A. D. Kelley, supervisor of risks, Mutual of New York.

Prepared discussion by Howard Goodwin, second vice-president Phoenix Mutual, and C. V. Cornell, assistant supervisor Penn Mutual.

Report of nominating committee. Election of officers.

Nov. 17—Afternoon Session

Chairman, W. H. Dallas, Aetna Life. Informal discussions.

Paper, "Beneficiary Designations and Their Effect on Underwriting," by J. G. Late, Aetna Life.

Paper, "Restoration of Income Disability Benefits," by E. C. Lewis, supervisor of application department New England Mutual.

Paper, "Amount of Insurance to Be Allowed when There Is No Earned Income," by A. P. Morton, Manufacturers Life.

Paper, "Aggregate Amount of Life, Double Indemnity and Principal Sum Accident Insurance in Its Relation to Income," by W. H. Flanagan, assistant secretary Connecticut General.

Paper, "Limits for Inheritance Taxes and Limits in Connection with Such Plans as Stock Elimination and Partnership Purchase Agreements," by M. J. Koniger, assistant superintendent bureau of issue Equitable of New York.

The Sun Life of Baltimore has appointed Ernest Ulrich as manager of the Washington, D. C., district No. 1. Louis Ehrenworth, former manager, has been transferred to Washington No. 2 as manager.

Illinois Law Now Strictest in U. S.

President Behrens of Continental Assurance Discusses New Investment Statute

SURPASSES NEW YORK ACT

Executive Declares Doctrine of "Caveat Emptor" Does Not Apply in Life Insurance—Agents Responsible

The Illinois insurance laws, especially regarding investments of life companies, are more stringent now than those of any other state in the country, President H. A. Behrens of the Continental Assurance, Chicago, stated in a talk to brokers and agents in that city this week.

Illinois was very backward in insurance legislation for many years, he said. In fact, the state was considered a good deal of a joke as respected insurance laws and the way they were administered. There were many men of the promoter type who got into insurance. All of that has changed. The new statute governing investments was passed at a time of many activities and consequently scarcely was noted. At any other time, he said, it would have made news.

Diversification Now Mandatory

The Illinois investment statute, he said, has as strict provisions as those in New York law which heretofore has been taken as a model and has many additional restrictions. It permits mortgages to be made on property by life companies for a maximum of only 50 percent of appraised value, whereas the limit in New York is 66⅔ percent. In Illinois no common stocks may be held by life companies. A life company is required to diversify its investment, for the first time in this country this specific, mandatory provision being written into life insurance law.

President Behrens discussed the law in the light of recent insurance developments in Illinois. He said one of the weaknesses of mankind is to like to get back into prosperity without any housecleaning; as painlessly as possible. If one gets on the wrong road, he said, it is necessary to go back to the cross roads and take the right road. That accounts for the unfortunate difficulties of some Illinois companies recently.

House Cleaning Is Essential

"If we are going to clean up," Mr. Behrens said, "we must clean up and not stop because there is a little dust in the air. One thing appears to be certain, any company that can survive the present Illinois laws is pretty apt to be sound."

"I have an abiding faith in the inherent power that there is in the right idea. We are building our institution for a good many years, and I hope for a good many generations to come."

"I do not wish to hold out the National Life of U. S. A. as a horrible example. However, agents must realize that they must sell insurance in sound companies, and they must find out what are sound companies. The responsibility is on the agent's shoulders. If he cannot learn this principle he ought to get out of the business, and it would be better for all concerned if he did."

"The old dictum of caveat emptor does not apply in life insurance. If that were the basis in this business, before long there would not be any life insurance nor any other kind of insurance."

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Protective Group Approves Contract

Sale of Missouri State Life Endorsed by Policyholders' Committee

VOTE IS SIX TO ONE

Advises Payment of Premiums—Further Contest of General American Contract Held Harmful

ST. LOUIS, Nov. 9.—The almost unanimous report of the policyholders protective committee approving the sale of the Missouri State Life to the General American Life has met with a very favorable reaction in St. Louis insurance and financial circles as well as among the rank and file of the buyers of life insurance.

Almost overnight this straight-from-the-shoulder discussion of the whys and wherefores, of the financial misfortunes of the Missouri State and all of the details of the 15-year trusteeship by the General American has changed the views of many who were inclined to believe that there may have been some basis for the various legal attacks that have been made on the sale contract in the state and federal courts. So comprehensive is the report regarding the essential details of the contract from a policyholder's viewpoint, the general public has apparently reached the conclusion that while the General American Life has a good contract from its standpoint the agreement with Superintendent O'Malley thoroughly protects the chief interests of all of the policyholders and that the rates of compensation provided for the new company are neither too high nor unreasonable.

Concludes Five Weeks' Study

The report of the committee concluded five weeks of intensive study of the sale agreement and the vote was six to one for its approval. "Summing up the entire situation," the report says, "this committee earnestly feels the security back of every Missouri State Life and International Life policy is today far greater than it has been for several years under the old order of things and that policy claims will be paid when due."

The committee then advised policyholders to give sane thought to the matter before permitting their Missouri State Life policies to lapse for nonpayment of premium or interest on the 50 percent lien placed against the reserve under the sale contract.

"The sale contract in many respects is novel and a pioneer document," the report says, "for in certain particulars it has no precedent. In view of all conditions prevailing in the Missouri State Life and the general economic situation of the country at the time of the recent receivership action against the Missouri State Life, the committee believes the management form of contract with the new company to be not only a very practical solution of the policyholders' plight, but in the main favorable as well."

Takes Care of Claims

The committee states that at the time the company was thrown into receivership many matured policy claims were outstanding and unpaid and that the General American Life has not only paid all of the legitimate claims at the time of the receivership but is promptly paying all new claims. A harmonious organization is functioning in adminis-

(CONTINUED ON PAGE 17)

Holds Fraternal Policy Not Blow to Marriage

The Kansas supreme court has held that a provision in the constitution and by-laws of a fraternal, that any one entering into a civil contract of marriage shall ipso facto expel herself or himself from the organization, is not illegal because in restraint of marriage and that a member who was so expelled has no cause of action for damages. The case was *Koresic vs. Grand Carniolian Slovenian Catholic Union of United States*. The words "civil contract of marriage," according to the court, were used to distinguish marriage according to civil laws from marriage according to church law. The certificate of membership discloses no bargain not to marry. There was no attempt to prevent marriage, either by promise or by provision for a condition.

Urges Agents to Dissuade Borrowing at Bank's Behest

Representatives of the Guardian Life of New York have been urged to dissuade policyholders from making policy loans at the instance of bankers, tradesmen and money lenders. "These people," the Guardian Life states, "are going to be 'on the neck' of everyone who has an insurance policy in the hope that they can force a loan on a policy to pay these other types of indebtedness. There is no reason why the backlog of the average family's financial structure—the life insurance policies—should be sacrificed for someone else's greed, desire for ready cash or to cover up someone else's bad judgment in another direction."

Tribute to Veterans

Although many veterans have found it difficult to produce business in these times, this should not be a signal for companies to discard them or eventually push them out of the business, declared Mr. Young. "These men have carried the load, not for one or two years, but for many. They have been the ones who made the top profit, who have kept our dividends up and our costs down."

Mr. Young urged the agents to take advantage of the present opportunities. With business reviving, millions will seek

"Planned Plugging" Is Price of Production from Now On

"The price of production from now on is 'planned plugging,'" declared C. W. Young, president of the Monarch Life, in a talk before the Springfield Advertising Club in which he paid tribute to the veteran salesmen "who have done so much to build up this tremendous business of ours." Life agents and managers also attended the meeting.

Although planned work among quality prospects has been stressed and recognized by all, the majority have continued to go along in approximately the same rut which has been always followed.

Regular production derived from regular work is what life companies want from their salesmen. "This means proper prospecting among the profitable groups. It means the use of all the 'sales helps' supplied by your company, and an earnest, forceful presentation of your product. It means a choice of the proper form of contract for each prospect, and an explanation in terms of what it will do for him. It means the submission of enough new business each week and month and year to offset the lapsation and to insure a healthy growth in your agency."

to revive their life insurance which they let go through sheer force of necessity. But this advantageous situation will not make an agent successful without effort. "The salesman who waits for things to pick themselves up, will be found to be holding the bag while his hustling brother has taken the pick of the business."

In discussion of the salesman's problems, Mr. Young recognized the obstacles which are to be faced. Business is secured primarily through moral persuasion and personal contact, plus the appeal of the printed word. Advertising has little effect without the supplemental personal contact. Although at times it seems as if the salesman's work consists of 75 percent calling on men who will not buy and the other 25 percent in talking to those who once bought but later lapsed, this should not discourage life insurance men. Fundamental principles of life insurance selling have been worked out and methods and plans developed to such an extent that it is safe to say it is rare today that a salesman fails through ignorance of the way to success, said Mr. Young. Failure where it exists is nearly always due to lack of application and persistency. "Any man with reasonable ability and hard work, representing a reputable company, can succeed right now selling life insurance as well as at any time in the past."

Mr. Young made a strong appeal for elimination of lapsation—"one of the most destructive sources of waste in the entire business. A low lapse rate is a star in any man's crown."

Illinois Handbook Is Now Out

Volume Giving Vast Amount of Information Is Being Distributed by National Underwriter

The Underwriters Handbook of Illinois for 1933 has just been issued by THE NATIONAL UNDERWRITER and is now being distributed. The Illinois handbook is the annual compilation which covers Illinois insurance-wise and gives complete up to date information on all branches of the business in the state. Included is the list of agents as licensed by the insurance department of Illinois showing the companies which they represent compiled in easy form for reference. Companies operating in Illinois together with their field forces, offices, etc., are listed. Separate lists are shown of fire field men, casualty managers and their special agents, and life insurance general agents and managers. Lists are also given of the adjusters, attorneys and organizations in Illinois.

The statistical information showing fire and life insurance in Illinois for the past six years and casualty insurance for the past two years, classified as to lines written, is included as a regular feature. Much miscellaneous information such as town classifications, laws of the state, population, etc., makes this book the guide to those interested in insurance in Illinois.

Seek Missouri Stamp Tax

A bill to impose a 10-cent stamp tax on all insurance policies of any variety has been presented to the Missouri legislature. Violation of the act would carry a penalty of \$500.

Canadian Changes Expected

Many of the Canadian companies are expected shortly to announce reductions in dividends on participating policies, increases in non-participating rates, reduction in interest rates on funds left on deposit and decrease in cash surrender and loan values.

Chairman Howland

To President Fred A. Howland of that sterling old Company, The National Life of Vermont, goes the chairmanship of the annual meeting of the Association of Life Insurance Presidents, to be held next month in New York City. His Company, born in 1848, holds a high place among our elder life insurance institutions.

Mr. Howland was elected chief executive of his Company in 1916, following many years of service, first as Counsel, and then as Vice President. And between 1888 and 1927 these were among his distinguished civic contributions to Vermont:—Clerk of the House of Representatives; Secretary of State and Insurance Commissioner; State Board of Library Commissions and Board of Education; Chairman of Revision Committee of Banking Laws; New England Council.

President Howland will add another worthy Chairman to the long line of able life insurance Presidents who have thus served the Presidents' Association.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

Nylic Annuities

In order further to meet the demand for retirement incomes among men who must also have protection for their families until their policies mature, the New York Life has just issued a new contract called the Annuity Endowment.

This contract provides for an annuity of, say, \$100 a month to start "automatically" at age 65 with an option of \$13,400 as a cash endowment in lieu thereof, and also provides guaranteed values in event of lapse. Provision is also made in this flexible contract for annuities to begin at various optional ages.

Insurance protection for beneficiaries is provided up to age 65. For a \$100 monthly annuity, \$10,000 or the guaranteed cash value, whichever is greater, would be paid at death. The cash value would exceed \$10,000 in the later years of the contract.

For women who want a retirement income without protection for their families, there are retirement, accumulative and immediate annuities. For women who want a retirement income with protection for their families, there is a wide variety of endowment contracts with optional annuities. All New York Life endowment or life policies now being issued offer the insured an annuity under the optional methods of settlement.

The New York Life agent is thus well-equipped with contracts to meet the growing popular demand for life incomes guaranteed by a strong, legal reserve life insurance company.



HOME OFFICE BUILDING

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE
NEW YORK, N. Y.

Insurance Interests Shape Pennsylvania Legislation

SPECIAL SESSION EXPECTED

Twelve Advisory Councils Work on
Recommendations — 90 Bills
Given Full Approval

PHILADELPHIA, Nov. 9.—Governor Pinchot is expected to issue a call for a special legislative session to meet either Nov. 13 or Nov. 20. There is a strong possibility that recodification of the Pennsylvania insurance laws will be considered. The Insurance Federation of Pennsylvania has had 12 advisory councils working up recommendations for all branches of insurance. These various councils have held individual meetings and have so far offered 245 recommendations for changes in the proposed new code. Of this number, 160 have so far been sent to Louis Schwartz, chairman of the joint legislative committee, to study recodification of the insurance code. Representative Schwartz in turn passed the 160 recommendations to the attorney-general and insurance commissioner, who approved 90.

Recommendations Given

Among the recommendations are: That the insurance department should not have the power to examine into "the equity of companies' management and dealing with agents, brokers, policyholders and the public," a financial examination being deemed sufficient.

That companies should be permitted to withdraw securities on deposit with the insurance department when those securities are more than 5 percent in excess of the minimum amount required by law.

That undue publicity be not given to applications by the insurance commissioner for companies to show cause why they are not in good financial shape.

The proposal that insurance department should determine whether new company is a "convenience and advantage of the public" is opposed.

Dividend Regulations

That present law of dividend on stock being permitted to be paid stockholders 20 days after declaration remain and suggested wait of 60 days be killed.

That it is asking too much of companies to furnish a financial statement to the insurance department within ten days after declaring a dividend and that this proposed section should be struck out in its entirety. That the insurance department be forced to approve new policy forms within 30 days of filing. And, with no disapproval or no action, the forms would be automatically approved.

Want New York Creditor Law

Substituting the present New York law for the Pennsylvania law on the rights of creditors and beneficiaries of life insurance.

Foremost among the recommendations are those of the industrial life advisory council headed by W. J. Bradley, Home Life of America. Among these recommendations are:

That companies merely certify residence of industrial agents and not legal residence. More thorough definition of industrial life insurance with the New York definition suggested. Continuance of the facility of payment and the over-insurance clauses.

Elimination of any clauses which would require attaching copy of application to industrial life policies. Preservation of right of industrial life companies to issue certificates, rather than new policies, for lost policies.

Among other important recommendations are:

That life insurance agents should not

Members of Insurance Week Committee Named

Henry E. North, second vice-president Metropolitan Life, has announced the membership of the committee, of which he is chairman, to draft and administer the 1934 insurance week program.

The committee includes: H. E. Aldrich, vice-president Equitable Life of Iowa; H. L. Amber, vice-president Berkshire Life; H. H. Armstrong, vice-president Travelers; O. J. Arnold, president Northwestern National Life; Burke Baker, president Seaboard Life of Houston; J. C. Behan, second vice-president Massachusetts Mutual; A. G. Borden, second vice-president Equitable Life of New York; L. P. Brigham, superintendent of agencies National Life of Vermont.

Also G. H. Chace, assistant secretary Prudential; Jerome Clark, vice-president Union Central Life; A. L. Dern, vice-president Lincoln National Life; L. J. Dougherty, president Guaranty Life of Davenport, Ia.; F. M. Feffer, vice-president Abraham Lincoln Life of Springfield, Ill.; W. H. Harrison, vice-president Atlantic Life; H. M. Holderness, vice-president Connecticut Mutual Life; G. L. Hunt, vice-president New England Mutual; D. Gordon Hunter, agency vice-president Phoenix Mutual Life.

Other Members Given

Also Stephen Ireland, vice-president State Mutual Life; W. W. Jaeger, vice-president Bankers Life of Iowa; F. V. Keesling, vice-president West Coast Life, and president American Life Convention; L. S. Lindsay, vice-president New York Life; M. A. Linton, president Provident Mutual Life; G. A. Martin, first vice-president Continental American Life; D. C. MacEwen, vice-president Pacific Mutual; R. L. Maclellan, agency manager life department Provident Life & Accident; J. A. McLain, vice-president Guardian Life.

Also Julian Price, president Jefferson Standard Life; J. B. Reynolds, president Kansas City Life; G. K. Sargent, vice-president Mutual Life of New York; R. H. Rice, Jr., vice-president National Fidelity; H. L. Seay, president Southland Life; E. G. Simmons, vice-president Pan-American Life.

Also E. C. Sparver, director of agencies Reliance Life; G. W. Steinman, president Midland Mutual Life; E. B. Stevenson, Jr., vice-president National & Accident; J. A. Stevenson, vice-president Penn Mutual; Oliver Thurman, vice-president Mutual Benefit; S. T. Whatley, vice-president Aetna Life, and F. B. Wilde, vice-president Connecticut General.

Examination Committee of Commissioners Will Meet

Jess G. Read, insurance commissioner of Oklahoma and secretary of the National Convention of Insurance Commissioners, is calling a meeting of the examination committee to be held at the Hotel Pennsylvania in New York City, Dec. 4, the day previous to the meeting of the association proper. The members of the valuation committee will probably be asked to sit in with the examination committee. The question of the valuation of municipal bonds will be presented as it is an engrossing question these days.

be subjected to an examination as a prerequisite to obtaining a license. That the responsibility for the selection of these agents should rest solely with the companies.

The 25th anniversary of the Gate City Life, an industrial company of Greensboro, N. C., was celebrated with a convention at Sedgefield, N. C., which was closed with a banquet and dance.

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Why Peoria Life Agents Succeed

Because their Company is:

Big enough to be equipped with every facility for rendering complete service to Policyholders and Agency Force—

Small enough for personal friendly contact between its officers and every agent in the field.

Old enough to have an established reputation for giving back just a little more than

it takes: to enjoy an unusual degree of confidence, the result of years of conscientious, dependable service—

Young enough to look to the future rather than the past, to be constantly opening new territory and developing new opportunities for the benefit of its Agency Force.

Conservative enough to conduct its business according to the most approved practices of legal reserve life insurance—

Progressive enough to offer to its policyholders the most up-to-date policy features; and the most liberal cooperation to its agents.

Peoria Life Insurance Company

PEORIA, ILLINOIS

A Broader Field

It's an advantage to be able to provide complete income protection. It gives you a broader field.

If your prospect feels that he has properly protected himself and family with Life insurance—he may feel the need of Accident and Health protection.

If he has his earning power protected by Accident and Health insurance, he may still feel the need of a contract that will continue his income to his family in event of natural death.

The B. M. A. specializes on INCOME insurance—LIFE, ACCIDENT, HEALTH and RETIREMENT—replacing the earning power of the policyholder to himself during periods of disability caused by sickness and accident—and at retirement age—and to the beneficiary for as many years as possible after death.

Only full time salesmen
employed

Business Men's Assurance Co.

Kansas City, Missouri

W. T. Grant, President

Old Line Legal Reserve Company

Illinois Life Receiver Not to Distribute for 30 Days

MUCH LITIGATION IS FEARED

Agents' Claims May Carry Case to
U. S. Supreme Court—Reserve
Interest Dividend Later

It will be approximately 30 days before the receiver of the Illinois Life will be able to make the distribution of premiums paid in since Nov. 28, 1932, by policyholders dissenting to the reinsurance in the Central Life of Iowa, and held in trust. An order to make the distribution was entered by Federal Judge Wilkerson at Chicago two weeks ago. The sum involved is approximately \$140,000.

These premiums were paid under the receiver's assurance that if reinsurance were not effected they would be returned. Under the contract with the Central Life, the premiums of dissenters will not be retained.

Pay Only to Dissenters

Only those policyholders specifically dissenting to the reinsurance plan will receive the return premium. All others by their silence were assumed to have given assent.

There will be some time within 60 days a further distribution of an interest dividend built up on reserves on Illinois Life policies prior to the time of the receivership. This it is estimated will run around 10 percent. How long it will be before there will be a further distribution to dissenting policyholders and other claimants, and how much this will be, are problematical.

The amount of distribution will depend entirely upon the result of much anticipated litigation. It is feared that the Illinois Life case, insofar as general claimants are concerned, may go to the U. S. Supreme Court.

Agents' Claims a Problem

One of the stumbling blocks is the claims of general agents and agents, totaling approximately \$2,400,000. The reinsurance agreement with the Central Life offered opportunity for Illinois Life agents to protect their renewal commissions, but to do so it was necessary to become agents of the Central Life. Many of the Illinois Life representatives were forced during the long interim of litigation to make other connections in which they have placed considerable business. They dislike to sever these new connections. Thus either way they stand to lose money.

The order entered by Judge Wilkerson contemplates a preliminary survey of the merit of all the agents' claims, before any attempt is made to set figures.

The agents as a group were represented in the long series of court hearings, and being banded together undoubtedly will carry their case to a high court if satisfactory settlement is not made. The amount of commission involved in many individual claims is quite large, it being said that one general agent alone was deriving approximately \$20,000 annually from his renewal commissions in the Illinois Life under a contract which carried them on for 30 years.

Important Consideration

Obviously there can be no attempt made by the receiver at apportionment of assets to claimants until it is finally determined what can be done about the agents. If these are left out of the picture, other claimants will get a much larger proportionate share. They cannot be ignored without court authority.

There has been much speculation as to what treatment policyholders with various types of contracts will receive. One example was of a man who had carried an endowment policy in the Illi-

nois Life for eight years, paid his premium when it fell due under the receivership, failed to file his dissent with the receiver, but now desires to surrender his policy. This man for the time being will get no cash return. His assent to the reinsurance is assumed.

Not being a dissenting policyholder, he will not benefit from the distribution of the \$140,000 mentioned. Since there is a 70 percent lien against his reserves, there is practically nothing he could get out of the contract by surrendering. In fact, he could get nothing now. The Illinois Life assets have not been turned over to the Central Life. It is stated that such a policyholder's greatest benefit will come from going along with the reinsurance plan, paying his premiums regularly.

The unfortunate side of such failures is that holders of annuities and endowment contracts suffer the most since these carry the larger reserve values and a lien of a given percentage therefore ties up a much greater sum per policy than on ordinary contracts.

Missouri Regulatory Bills Given Committee Approval

Three of the insurance bills sponsored by Governor Park and Superintendent O'Malley of Missouri, seeking better control of the investments and business of life companies in Missouri, have been approved by the house committee on life and accident insurance. A fourth bill prescribing a uniform actuarial method of valuing the assets of a life company in making examinations has been temporarily held up to determine whether it comes under the scope of the governor's call for the special session.

The three bills approved require compulsory registration of all life policies and the deposit with the department of certain securities to protect the reserves on such policies; require that bonds purchased by life companies must not have been in default as to interest within five years prior to such purchase; prohibit investment of more than 10 percent of a company's capital and surplus in any one real estate enterprise, and limit investments companies can make in home offices.

New Kansas Bills

TOPEKA, KAN., Nov. 9.—The special session of the Kansas legislature is considering numerous bills affecting insurance. The insurance department proposed two measures: One authorizing the department to refuse to license companies where the salaries paid to officials are excessive; and the other prohibiting a company operating in Kansas to commit itself to the purchase of securities where its funds would be tied up more than 30 days by the commitment.

Other bills introduced provide: Restoring the old law relating to supervision over mergers of companies.

Authorizing Kansas companies to purchase bonds of Home Owners Loan Corporation.

Increasing authority of burial and industrial insurance companies to write policies up to \$1,000.

Extending mortgage moratorium until terminated by proclamation of the governor.

IMPORTANT!

Insurance men interested
in increasing their income
write immediately.

Box X-97
The National Underwriter
123 William Street
New York, N. Y.

Plan Recommended for the Royal Union Life's Future

GENERAL AGENTS WIN FIGHT

Mutual Set-up Is Regarded as the Best One for the Policy- holders

Receivers for the Royal Union Life of Des Moines last week recommended to the federal district court that the company be reinsured in a new institution to be formed by the general agents' protective committee operating under a mutualization form of contract. The court set Nov. 20 as the time for hearing objections to the report. Objectors are given until Nov. 17 to file brief. The company will take the name of Royal Union Life Insurance Company (Mutual). The policyholders, therefore, will control the company.

Proposal of the Committee

It is to assume all obligations in force June 3, the date of the receivership, and will reinstate lapsed policies since that time on payment of due premium without additional evidence of insurability. Death claims are to be paid in full less interest on liens but the company will take 120 days to pay accumulated claims. A lien of 50 percent at 4½ percent interest will be placed on all policies except life annuities. Policy loans and cash surrenders will be subject to a five year moratorium.

The list of new officers recommended is: L. C. Kurtz, former banker of Des Moines, president; B. M. Kirke, former secretary, vice-president and supervisor of agencies; J. L. Gillstrap, secretary; E. C. Fishbaugh, Shenandoah, Ia., treasurer; J. C. Davis, Sr., former director general of railways, counsel; E. L. Shinnick, actuary, and assistant secretary; Dr. A. C. Page, medical director. Directors include Mr. Kurtz, J. C. Davis, Jr., George A. Kern, Fred Keating, Amos Pearsall, Sidney Mandelbaum, Dr. Page, all of Des Moines; Otto Lange, member general agents' protective committee at Dubuque, and C. C. Jacobsen, former deputy state banking superintendent.

Amount of Insurance in Force

It was announced that under the plan the company is to remain in Des Moines and operate in its own present building. Insurance in force at the time of the receivership is about \$147,000,000. The present business is estimated at \$130,000,000. Under the receivership there is accumulated \$1,200,000 cash in banks.

In addition to the general agents' committee other bidders were the Lincoln National Life, Life & Casualty of Chicago, Kuhn, Loeb & Co., New York, Central Life of Des Moines, J. P. Sullivan, Chicago, Julius Adelman, Des Moines, State Farm Life of Bloomington, Ill., United Benefit Life of Omaha, Great Republic Life of Los Angeles, and E. H. Maytag of Des Moines. The Lincoln National was favored second by the receiver.

Shall Pay Old Company \$400,000

In order that the company may "conserve the rights and property" of policyholders in the old company the contract provides that the receiver shall pay it in cash \$3 for each \$1,000 insurance in force but not to exceed \$400,000. Of this amount \$200,000 will be placed in a reserve fund and deposited with the insurance commissioner. No part of it will be used except for payment of claims resulting from insurance contracts on either old or new business. Until the liens are discharged or until 1953, whichever occurs first, the receivership of the old company will be kept open and the court will retain jurisdiction over the operations and conduct by the mutual company of the business taken over from the old company.

WITH smoother going there comes the inevitable temptation to forget the disasters of the past and disregard the needs of the future.

It is very easy to overplay our optimism when times are better for us individually but for those who are unprotected and helpless *life can be just as hard in good times as in bad.*

The life insurance fraternity can influence in no small way the trend of current events in making good times permanent.

Men and women of the present day should know how, by the wise use of income, they can build up future security.

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

Academically Wise but Economically Illiterate

SUCH was a recent description applied to those whose reasons for allowing life insurance to lapse were unfathomable. In a simpler day they termed it "Penny Wise and Pound Foolish."

Whatever the underlying reasons for lapses, they are an ill whose prevention is better than cure. The Great-West Life carries on a continual service to guard its policyholders against the loss or weakening of their policies, as well as to assist them in restoring damage already done.

"Hold fast to that which is good" is the chief thought behind the conservation propaganda. Its increasing acceptance by policyholders is benefiting Companies and Agents alike.

THE GREAT-WEST LIFE ASSURANCE COMPANY

HEAD OFFICE
WINNIPEG - CANADA

Business-in-force over Half A Billion Dollars;

October Sales Indicate Business Is Available

Responding brilliantly to the challenge of Arnold month—the company's annual tribute to President O. J. Arnold—the agency organization of the Northwestern National Life of Minneapolis stepped out last month to make it the biggest October in its history and the best month of new business for the year. A total of 2,238 applications aggregating \$6,284,530 was the record, beating the best previous October—in 1928—by 18 percent and the best previous month of 1933—June—by 8 percent.

Heading the agencies was the White & Odell agency of Minneapolis with a total of \$1,125,333. H. O. Wilhelm & Co. of Omaha was second with \$502,506, followed in order by the T. H. Cummings agency, Detroit, \$395,524; W. A. & G. F. Bachman, Wichita and Oklahoma City, \$344,666, and the A. W. Cray agency, Fargo, \$312,932.

One of the highlights of the month was a one-day drive conducted by the White & Odell agency on salary continuance policies in which it completed 73 applications for \$172,900 of business.

* * *

John W. Yates, general agent at Los Angeles for the Massachusetts Mutual Life, reports that in October his agency increased its production 26.27 percent in volume as compared with last year and increased the number of applications 30 percent.

* * *

The Pacific Mutual Life's October production increased 44 percent over September, which in turn was 18 percent ahead of August. August showed a gain of 26 percent over July.

* * *

Paid business of the Fidelity Mutual Life gained 9 percent in October over October, 1932. Applications showed a 12 percent gain. The Fidelity is holding an intensive campaign for applications centering upon a celebration of its 55th anniversary on Dec. 2.

* * *

Vice-president G. A. Martin of the Continental American Life of Wilmington, Del., states that October, which is known as "Founders' Month," was the largest October in its history. Its new paid for business was 115 percent as compared with October last year. Mr. Martin states that the first 10 months show 33 percent increase in applications, 36 percent in issue and 30 percent in new business placed. One of the features of "Founders' Month" is the dedication of Oct. 2 as Burnet day in honor of the late Philip Burnet, the first president of the Continental American. Mr. Burnet was the deviser of the family income policy and therefore the agents were asked to write at least one application on that plan.

* * *

Salesmen and executives of the Northern Life in Seattle celebrated their record of writing 147 applications for \$263,000 of insurance in one day with a banquet. The one-day campaign was undertaken on a challenge from the Los Angeles agency, which in a similar one-day campaign wrote 65 applications.

* * *

Production of the Ohio National in October was far in excess of any month in the history of the company. This was "President's month" as a tribute to T. W. Appleby. During October each agent attached the "President's month" silver jubilee token to each application. At the end of the month these tokens were enclosed in a miniature chest, symbolical of a chest of silver from the field staff and presented to Mr. Appleby.

The Omaha agency of the company under O. F. Neal led the entire staff during the month.

* * *

M. E. O'Brien, Michigan supervisor

Michigan Teachers Annuity Formed by School People

PURPOSE OF ORGANIZATION

Andrew Gump Is Secretary of the Advisory Board and Chief Factor

A non-profit organization, known as the Michigan Teachers Annuity Association, has been incorporated by a group of prominent educators in Michigan for the purpose of improving the financial and retirement income welfare of the teachers in the state and protecting the members of the profession against all kinds of speculative investments.

It has provided that a separate organization will act as a central bureau where teachers may secure authentic information and counsel regarding their individual retirement annuity and life insurance problems from licensed annuity and life counselors. Through this organization teachers may also make purchases of annuity and life insurance contracts. A check-up system has been worked out to ensure that purchases made will be in accordance with the needs of the individual purchaser.

Separate Organization for Advice

The Michigan Teachers Annuity Association has secured the cooperation of a counseling organization composed entirely of licensed annuity and life insurance counselors headed by Andrew M. Gump of Detroit, who was, prior to entering the insurance field, an executive educator in the state. This counseling organization has for the last four years devoted its time exclusively in serving the retirement needs of teachers and librarians. All work of rendering the counseling service, and of securing and handling teachers' applications for annuity and life insurance contracts has been delegated to this counseling organization.

The officers of the association are located in the Union Guardian building, Detroit.

Officers of Advisory Board

The officers of the advisory board are: President, E. A. Lyman, who is head of the department of mathematics Michigan State Normal College in Ypsilanti; first vice-president, C. M. Novak, principal northeastern high school, Detroit; second vice-president O. H. Morehead; actuary, K. H. Koppin, and secretary, Andrew M. Gump, Union Guardian building, Detroit, the last three being connected with the Andrew Gump insurance organization. The advisory board is made up of school people throughout Michigan, both those in public school work and colleges.

American Life of Detroit, reports new business in Michigan in October 50 percent ahead of September, which was largest month up to that time.

* * *

In October, the Missouri-Kansas agency of the Union Central Life in Kansas City under Judd Benson paid for 34 percent more business than in October, 1932. This was the sixth consecutive month that the agency has produced over 100 applications—with 25 full time men in the two states.

* * *

A record of more ordinary life applications received than in any other month in the company's history was hung up during celebration in October of the 40th anniversary of the entrance into the insurance business of Chairman H. R. Kendall of the Washington National of Chicago. During the same period the company issued more policies for more ordinary life insurance than ever before in any one month. On Nov. 1 there was more ordinary in force on a paid basis than at any time.

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Right to Renewal Commission on Waived Premium Upheld

IMPORTANT RULE FOR AGENTS

Illinois Appellate Court Finds Company Gets Money Through Extra Charge, Must Pay

Occurrence of disability and continuance of a life policy under the waiver of premium clause do not affect the agent's right to commission (except where the agent's contract specifically describes that he shall receive no renewal commissions under such circumstances) the appellate court of Illinois ruled in the suit of Richard A. Pick, a prominent Chicago life man who writes a large business, specializing on operative stars, against the State Mutual Life. The decision affirmed ruling of the Chicago municipal court awarding Mr. Pick judgment for \$155 renewal commission. The case revolved around the State Mutual's contention that under operation of the waiver of premium benefit no cash changed hands in payment of premium whereas the agency contract stated the company would pay commissions "as the premiums are paid," and this expressly authorized it to withhold commission payments in the case.

Contention of the Agent

Mr. Pick contended that payment of the waived premium to the life insurance fund of the company was made, using a disability reserve fund created for that purpose through extra premiums paid by many policyholders. While it was a bookkeeping matter, he claimed, nevertheless transfer on the company's books from one reserve to another was shown, and under law and terms of the agency contract this was such payment as to bind the company to pay the renewal commissions.

The court found that the agency contract did not provide specifically that premium payment must be made by the policyholder. There was no denial that the life insurance fund received payment of the 1932 premium on which renewal commission was sought, even though payment was waived to Giorgio Polacco, the policyholder. Polacco is a famous operatic musical director, having been director of the Chicago Civic Opera.

Entitled to Renewals

Polacco's claim for disability income payment and waiver of premium was allowed on April 11, 1932. Mr. Pick claimed that in the life insurance business there existed a custom or usage that notwithstanding the waiver of renewal premium by companies, agents were entitled to renewal commissions.

It was shown that a number of companies which had agency contracts requiring payment of premiums in cash, did pay renewal commissions even though premiums were waived because of disability.

One claim of the company was that premiums for the period between filing of claim and its allowance were returned to Polacco and therefore no commission should be allowed during this period, but the court found no evidence to support that statement.

Paid from Disability Reserve Fund

The premium in question was paid from the disability reserve fund that Mr. Pick assisted in augmenting by selling the additional disability feature for an extra premium, and if the company's contention were to be upheld it would deprive the plaintiff of the fruits of his labor and effort because of his zeal in behalf of the company. The court continued:

"If plaintiff had been content to sell the insured a straight life policy no question of premium waiver could have arisen, but because of his endeavor to increase the business of defendant, and

at defendant's behest, he sold a policy calling for an increased premium payment, it is urged that he should be penalized not only to the extent of the loss of renewal commissions on the additional premium for the disability feature of the policy, but that he is not even entitled to receive renewal commissions on the straight life policy, although that policy is admittedly paid up and in full force and effect. This contention cannot be reconciled with business integrity and fair dealing and we find no merit in it.

Attitude of the Agent

"It is difficult to assume that plaintiff, as agent, would undertake, or that defendant would expect him to undertake, to sell life insurance, commending as an additional and attractive feature of the policy the provisions for disability benefits and waiver of premium payments, with full knowledge on his part that the additional attractive features of the policy which he urged on his client would in the event of disability, deprive plaintiff of renewal commissions which he would have received if that provision were not included in the policy."

Polacco, now in Italy, is receiving \$250 a month income disability payments

on each of three \$25,000 policies, one of which is the State Mutual's contract.

Valuations Committee Meeting

The valuations committee of the National Convention of Insurance Commissioners will hold a meeting in New York City Nov. 24. This is expected to be the crucial meeting of the committee prior to the mid-year meeting to be held Dec. 5. Superintendent Van Schaick of New York is chairman of the committee.

Reddall Now Secretary-Treasurer

Decision was reached at the meeting of the executive committee of the Insurance Advertising Conference in Boston to discontinue the services of an executive secretary and to combine the offices of secretary and treasurer. A. H. Reddall, Equitable Life of New York, was made secretary-treasurer. The members agreed to have the association bulletins issued from the offices of H. H. Putnam, John Hancock Mutual, president of the association.

The usual life group meeting will be held in New York during Insurance Week Dec. 2. J. E. D. Benedict, Met-

ropolitan, will preside. In addition a meeting of the executive committee will be held at that time to consider problems of advertising and publicity as well as business of the I. A. C. This meeting will be open to all members.

Chairmen of committees were appointed as follows: 1934 convention committee, A. A. Fisk, Prudential; frontier safety, R. G. Richards, Atlantic Life; membership, J. W. Mason, London Assurance; standards of practice, F. S. Holt, Aetna Fire; highway safety, H. A. Warner, Maryland Casualty; publicity, Frank J. Price, Jr., Prudential.

Pay \$1,300,000 in October

The A. M. Embury agency of the Equitable of New York in Kansas City paid for \$1,300,000 of straight insurance on 449 cases in October. This is the third consecutive month in which the agency has gone over the million mark. October was the second largest month for the year.

Annual "Sprint" in Progress

The agencies in the western division of the Equitable Life of New York are holding their annual "sprint," which continues until Dec. 18.

OCTOBER SETS RECORD

N^WNL's new business for the first ten months of 1933 substantially increased over the corresponding period of last year, the October business having been larger than in any previous October in the 48 years of Northwestern National Life's existence.

**NORTHWESTERN NATIONAL
LIFE INSURANCE COMPANY**

O. J. ARNOLD, President

STRONG - Minneapolis, Minn. - LIBERAL

Agency Supervisor



W. A. CONWAY

W. A. Conway has been appointed supervisor of agents by the Fidelity Mutual Life, succeeding E. H. Norene, who has resigned to become assistant superintendent of agencies for the Connecticut Mutual. For some time Mr. Conway will devote his attention to the head office agency, where an intensive recruiting and training program is to be inaugurated under his direction.

Mr. Conway has had wide experience in home office activities, beginning in 1906 with the Massachusetts Mutual, and continuing later with the Travelers. He entered the field as an underwriter in the New York territory in 1924. For the year 1926 Mr. Conway stood second in production, with over \$2,000,000 paid business. That year he tried out the

theory of "endless chain" prospecting, which took him from New York to California over a period of ten months.

In 1927 Mr. Conway joined the vice-president's staff of the Penn Mutual Life as home office representative in charge of the eastern division and only recently has been the Philadelphia manager for the Continental-American Life, which office has enjoyed a prosperous business under his direction. He will assume his new duties with the Fidelity Mutual Nov. 15.

Chicago Women Form Group

First Meeting of New Division in Association Draws 33 Leading Feminine Producers

The plan to form a woman's division of the Chicago association, which has been under consideration for several years, took final shape at a meeting Tuesday when 33 women agents in Chicago held their first meeting. A poll showed average life insurance experience to be nine years and average production in the best years, \$292,000 each. Miss Genevieve Forsberg, Equitable of New York, presided.

Four-Minute Talks Given

There were four-minute talks on the subject "Present Day Opportunities for Selling Life Insurance," the speakers being M. H. W. Bennett, New York Life; Miss Mary T. Dailey, Massachusetts Mutual; Miss Vera S. Reynolds, Equitable of New York and Continental Casualty, and Mrs. Eleanor Young Skillen, Penn Mutual.

The new woman's division plans to meet again in January. There will hereafter be four meetings a year. Miss Joy Luidens, secretary to Walt Tower, managing director Chicago association, took active part in forming the new group.

Guardian Life's Big President's Campaign

The month of October, which was designated "President's Month" for the Guardian Life, resulted in the greatest production of applications ever submitted in honor of President Heye. Compared with a similar campaign in October, 1932, this year's production showed an increase of 35 percent in number of applications written.

Sig Kaplan of the New York Bragg agency led the entire field. Second place went to Bernard Friedman of New York Landau and C. T. Ballew of Kansas City and Langford Anderson of New York Doremus shared third honors.

Some Outstanding Producers

Other outstanding producers were Mrs. Berenice Meistroff of Kansas City and C. L. Schumann of Pittsburgh, tied for 4th place; G. W. Isgrig of Cincinnati, Jacob Grob of Cleveland, and J. H. Martus of New York Landau, tied for 4th; E. B. Houghton of Rochester, 6th; R. C. Leevies of Shreveport, 7th; S. E. Silver of Newark Bay, 8th; Miss Maud McCallister and E. O. Tschannen of St. Louis, tied for 9th; and L. R. Nicholas of Tampa, 10th.

A quota of lives was assigned each agency and the agencies ranked according to percentage achieved. The ten leaders were Newark Bay, Kansas City, St. Louis, Philadelphia, Tulsa, Pittsburgh, New York Landau, Detroit, Indianapolis and San Francisco.

The value of consecutive weekly production was again emphasized when 129 producers who produced in every week of the campaign showed an average production of 10½ applications each. The average for non-consecutive weekly producers was 3½ applications.

Phillips Quits Staff Post with Pacific Mutual Life

Lee A. Phillips, executive vice-president of the Pacific Mutual Life since 1924, has resigned. He retains the presidency of the Pacific Indemnity, which he organized in 1926, as well as presidency of the Pacific Finance Corporation, and will remain director of Pacific Mutual Life. Mr. Phillips also was organizer of the Pacific American Fire in 1928, which later was purchased by the Liverpool & London & Globe. The condition of his health was given as the reason for his resignation.

Norene Takes New Post

E. H. Norene, recently appointed assistant superintendent of agencies for the Connecticut Mutual Life, this week assumed his new duties at the home office, where he will assist Vincent B. Coffin, superintendent of agencies. Mr. Norene entered the life business many years ago on the west coast; was formerly secretary and president of the general agents and managers association of Seattle. He goes to the Connecticut Mutual from his more recent post as supervisor of agencies for the Fidelity Mutual.

Hugh E. Wallace's Change

Hugh E. Wallace, for 15 years with the Equitable Life of Iowa in executive capacities, has been named general agent at Omaha for the Connecticut Mutual Life. He is a past president of the Omaha Life Underwriters association and a native of that city.

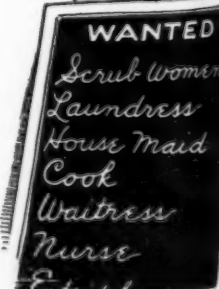
The Midland Life of Kansas City held an agency convention at Dallas, Tex., for Texas and southern Oklahoma agents. Daniel Boone, president; O. C. Thornton, secretary, and C. M. Cortner, superintendent of agencies, attended from the home office. The company recently held a convention in Kansas City for Kansas and Missouri agents.

THE upward trend of industry is a call to action for life insurance men. The alert field man will grasp the opportunity to step up his production progressively with the return of better conditions. Now is the time to start.

Coincident with the revival of industry has come a revival of the people's interest in life insurance, and a desire for a reinstatement of the protection which so many were compelled to sacrifice in the last few years.

Public confidence in life insurance was never higher than now, but, as a result of the depression, many people have less insurance than they had a few years ago, and there are countless others who have no life insurance, although they believe in it and want it. Surely this is an ideal setup for the sale of life insurance.

What
every
widow
fears



LIFE INSURANCE

THE WESTERN AND SOUTHERN

A HUNTING

Carl Rasch New President of Montana Life of Helena

RICHARDSON MADE MANAGER

A. B. Cunningham, Son of the Late President, Is Chosen Treasurer of the Company

Carl Rasch of Helena is elected president of the Montana Life to succeed the late Henry R. Cunningham. R. B. Richardson was made general manager. A. B. Cunningham, son of the late president, who has been assistant treasurer, was elected treasurer. Judge Rasch, a member of the legal firm of Gunn, Rasch, Hall & Gunn, which has been general counsel of the Montana Life since 1923, has been identified with its active management for a number of years, first as counsel, then as a member of the board of directors and for several years past as vice-president and a member of the executive committee in which the management of the company is vested.

New President's Career

Judge Rasch is one of the best known attorneys in the west. His firm for years has represented some of the biggest concerns in the country that do business in Montana. As United States attorney for the district of Montana, Judge Rasch achieved distinction in his chosen profession. He resigned before the close of his second term to engage in private practice. Two years later he was appointed federal judge for the district of Montana. A year or two on the bench convinced him he was too young and active to care for such a judicial position, and he resigned this lifetime position to reengage in the practice of law with his former partner. Mr. Richardson is a trained and ex-

perienced life insurance executive. Graduating from the University of Michigan in actuarial science, he joined the actuarial department of a middle west life company. From there he went to the Pacific Coast. He resigned as assistant actuary of the New World Life of Spokane to join the Montana Life in January, 1928, as actuary. In 1930 he was elected a director and made a member of the executive committee. In 1932 further recognition came to him when he was made a vice-president of the Montana Life.

While the Montana Life has generally been regarded on the outside as a "one man company," President Cunningham did not so regard it in the past few years. Particularly since his first heart attack in Butte three years ago, he devoted much time and attention to the development of an organization he was confident would carry on after he was gone. The two key men in this organization were Judge Rasch and Mr. Richardson.

The executive committee placed the agency management of the company in the hands of an agency committee composed of Lee Cannon, superintendent of agencies; A. J. Clemo, secretary, and C. D. Greenfield, Jr., head of the agency service department and in charge of the company's house organ and literature.

Drive for Wiedermann

The southwest Texas agency of the Union Central Life held a production drive in October for Manager B. A. Wiedermann, under the direction of Marshall T. Hearne, assistant manager. As a result production in October was the largest for more than a year. Mr. Wiedermann was a leading producer for the Union Central before he was named to his present post the first of the year.

B. V. Baranco, president People's Industrial Life of Louisiana, died at his home in Baton Rouge.

Simon Gives Some Pointers on Handling Business Insurance

Even if it is not possible to get a firm which is a prospect for business insurance to take the insurance at once, the agent will do well to get the partners to draw up a legal agreement whereby the survivor agrees to buy out the decedent's interest at a certain minimum valuation, Leon Gilbert Simon told those enrolled in the two-day sales course of the New York City Life Underwriters Association last week. Avoidance of confusion and possible litigation at the death of one of the partners is advanced as the selling argument in getting the agreement in force. After it has been drawn up, it is naturally more obvious to the partners that life insurance would be a very desirable source of money to buy out the decedent's interest.

Protects Agent's Business

At the same time there has proved to be little danger that another agent will get the life business, Mr. Simon has found, if the agent who gets the agreement drawn up suggests that the arrangement is after all confidential and that the fewer people who know about it, the better.

Sometimes a difficulty in selling business insurance is the young age of one or more of the partners. Under such circumstances Mr. Simon has found that a retirement income at say, 65, is very attractive.

In the situation where one of the partners is uninsurable, Mr. Simon suggested placing a 20-year endowment on the life of the insurable partner, with a provision in the agreement that if the uninsurable partner should die the cash value of the policy would be used toward buying out his interest. While this arrangement would be of little ad-

vantage during the early years of the endowment period, it was advanced as the next best arrangement to having both partners insured.

Maduro Discusses Case

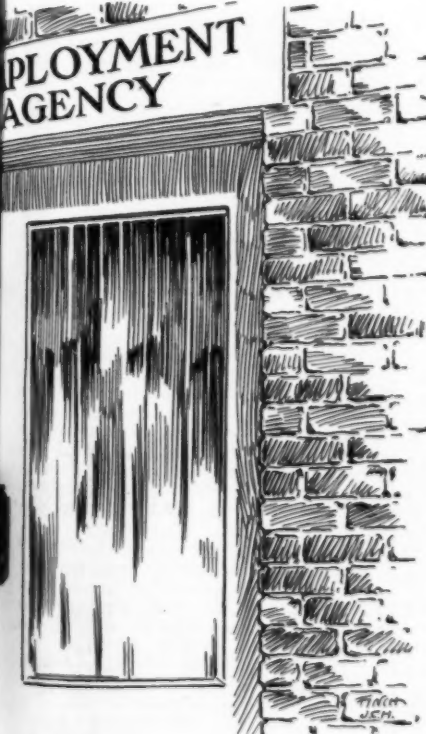
The possibility that business insurance will not be looked upon as an increase in a corporation's assets but as an offset to the loss suffered by the death of an executive, was pointed out by D. B. Maduro, counsel New York association, in connection with a case now pending in federal court. Mr. Maduro said he regarded the pending decision as extremely important. It would determine not only whether the loss due to an executive's death might be taken into consideration but also the extent to which the loss might be considered.

Hunter in Temporary Charge

J. A. Hunter, supervisor of the Detroit branch of the Phoenix Mutual Life, took temporary charge when J. C. Caperton, manager, left for Chicago to become general agent for the State Mutual. Mr. Hunter will handle sales supervision and D. B. Anderson, cashier, the office end of the business pending the appointment of a successor to Mr. Caperton.

Conducts Office Management Class

Verne Steward, life insurance instructor of the University of Southern California, is conducting a class group preparatory for the first series of examinations to be given by the Life Office Management Association Institute in May, 1934. The class meets Wednesday evenings in the Transportation building, Los Angeles.



Over two million people have returned to work in the past three months, and thousands more are going back to work each week. Instead of wage cuts, we read daily of salary increases. A higher minimum wage fixed by the NRA makes the field of opportunity enormous, for a man cannot work at higher wages without having money to invest in life insurance.

Never before has the public learned such a bitter lesson against the dangers of speculation. This lesson in safety will not soon be forgotten by this generation of investors. Dreams of becoming rich quickly have been supplanted by a demand for absolute safety of principal.

We can be confident that our product is the best of its kind and that it is more needed and appreciated than ever before.

Charles F. Williams, President.

ANCE OF THE FUTURE
UTHE INSURANCE CO., Cincinnati
A HUNTON

THE NATIONAL UNDERWRITER

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PERSONAL SIDE OF BUSINESS

Charles G. Taylor, Jr., son of the third vice-president of the Metropolitan Life, has been elected editor of "Corks and Curls," a student publication at the University of Virginia.

Insurance Director **Ernest Palmer** of Illinois was the chief speaker at the dinner of the Patent Lawyers Association in Chicago last Friday evening in honor of the federal judges.

The **Abraham Lincoln Life** contributed to the interest of the recent dedication of the reconstructed village of New Salem, Ill., by reproducing in cachet form a hitherto unpublished letter of Abraham Lincoln, which was unearthed by **F. L. Hildebrand**, general agent in Kansas City for the Abraham Lincoln Life. New Salem is the village in which Lincoln kept his store, studied law and courted Ann Rutledge. The village was reconstructed as an historical spot recently and dedication exercises were held there. The letter was written in 1846 from Springfield, Ill. It bears the address "General J. J. Hardin, Jacksonville, Ill."

A book that should appeal to all insurance men and women is "Mind Wreckers, Ltd.," by **Frank J. Price, Jr.**, associate manager of the advertising department of the Prudential. This volume deals with the adventures of one **Charles Barrow**, ace claim investigator of the Citadel Life, and, while a work of fiction, it is accurate in its deductions, thrilling in its contents and presents an entirely new field of crime deduction.

It deals with the exposure of a group of charlatans who victimize the poor. Other adventures of the redoubtable **Barrow** to be found in the volume are: "Sky Trail," "Somnambula," "Contact," "Not," "Hell and Back Benson," "Mama Doll," and "The Hell Pot." **Mr. Price**, who is well known in insurance advertising circles, is the author of more than 100 short stories and novelettes. This is his first book.

The **Supreme Liberty Life** of Chicago, the well known Negro company, has acted as host at its head office to large numbers of colored people from all over the country that came to Chicago to visit the world's fair. Policyholders and their friends made the office a call and many used it as their headquarters.

Horace Mecklem, Portland, Ore., general agent New England Mutual Life, has been named chairman of the central committee of the Community Chest in its effort to raise \$350,000.

William E. Brimstin, 56, of Irvinton, Ala., former secretary of the Federal Life in Chicago, died Nov. 4 in the home of his sister, Mrs. Allen R. Taylor, in Broadhead, Wis. **Mr. Brimstin** had lived in Chicago 34 years and moved to Alabama recently for his health. Death occurred while he was on a visit in Broadhead. **Mr. Brimstin** was born in Toronto Dec. 4, 1876. Christian Science services were held Saturday afternoon, with Masonic services at the grave. **Mr. Brimstin** suffered a stroke some time ago.

H. F. Ries, examiner-actuary for Colorado insurance department, has been elected a director of the University of Denver chapter of Delta Sigma Pi business fraternity.

Just before **J. C. Caperton**, former Detroit manager of the Phoenix Mutual, left for Chicago to take over the old Everts Wrenn general agency of the State Mutual, he was tendered a farewell luncheon by Detroit life men, with **R. T. Smith**, manager Travelers and president of the Associated Life

General Agents & Managers, acting as toastmaster.

Many managers spoke, headed by **C. A. Macauley**, state agent John Hancock and president of the Qualified Life Underwriters. **Mr. Smith**, representing the managers, and **D. T. MacKinnon**, Provident Mutual, representing the underwriters, presented **Mr. Caperton** a fine desk set and other articles of office equipment.

William Virgin, 82, retired superintendent for the Western & Southern, died at his home in Detroit after a brief illness. He spent a half century in the insurance business, beginning with the Prudential of London in Bristol, Eng., and coming to the United States 30 years ago with the company's United States department.

The **T. F. O'Keefe** Michigan agency of the Connecticut General Life in Detroit wound up the first 10 months of 1933 well over \$500,000 ahead of the same period of last year, although its brokerage contracts, which had yielded a large volume the previous year, had been suspended when **Mr. O'Keefe** took over the agency in the late summer of 1932.

Gordon Thomson, vice-president and actuary West Coast Life, made an agency trip through the Rocky Mountain and Pacific northwest territory en route home from the annual meeting of the American Institute of Actuaries and Actuarial Society of America in Chicago. Luncheon meetings were held at Salt Lake City and at Portland, Ore., where October was made "Thomson tribute month" in his honor.

C. L. Ayres, president American Life of Detroit, is convalescing from a serious operation that has confined him to a hospital for the past six weeks.

Mark Lilly, agency supervisor for the John Hancock, Des Moines, was critically injured when his automobile rolled over near Iowa City. He was taken to the University hospital at Iowa City, where it was found he had suffered a serious spinal injury.

F. M. See, St. Louis general agent of the New England Mutual, has been chosen president of the Downtown Kiwanis Club of St. Louis. He is also the third vice-president of the Gavel Club of St. Louis, composed of presidents and secretaries of about 35 civic, service and social organizations.

Funeral services were held Sunday afternoon for **Ezra M. Greenslit** of Greenslit & Olson, district agents at Rockford, Ill., for the Pacific Mutual Life. **Mr. Greenslit** was killed when his automobile went through a guard rail on a road near Byron, Ill. The funeral was attended by **Frank D. Cummings**, manager at Chicago for the Pacific Mutual.

J. F. Barr, vice-president and superintendent of agencies of the Kansas City Life, celebrated his 60th birthday anniversary and his 27th year with the company Nov. 1. Kansas City Life representatives, in honor of the occasion, sent in applications totaling \$433,400, along with congratulatory letters. For 16 years **Mr. Barr** was Missouri supervisor for the company. He has been superintendent of agencies and vice-president for more than ten years.

November has been designated "Hudgins Month" by the Texas agency of the Kansas City Life, in honor of **E. N. Hudgins** of Memphis, Tex., who will complete 20 years of representation of the company this month. **Mr. Hudgins** started in Memphis, built there the

Danger of One-Man Institution

IN announcing the new official lineup of the MONTANA LIFE, following the death of President **H. R. CUNNINGHAM**, the point is made by the management that many people got the impression that the company under **Mr. CUNNINGHAM**'s administration had developed into a one-man institution, in view of the late chief executive's forceful and picturesque personality, his courage, vision and fine ability.

Mr. CUNNINGHAM, it is related, realizing that he was beset with a heart trouble that would finally cause his end, purposely built up an organization that could carry

on. **Mr. CUNNINGHAM** was far-sighted. In some instances, even today, there are officials that have every spoke in the wheel leading directly to them. They dominate the whole institution and leave little authority to others. They thus develop a feeling of dependence, not allowing independence of judgment and decision. The one-man institution is destined finally to be taken over by some other or to be so weakened that its usefulness is ended. A great organization is never a one-man affair but is always building up a staff which can "carry on."

New Sort of Advertising

PERHAPS we are now headed toward a saner and safer existence. The WASHINGTON NATIONAL of Chicago, for example, over the signature of its president, **G. R. KENDALL**, advertises the fact that it has no running mate of any kind and is not connected in any way with any other insurance company. It has no connection whatsoever with any holding company. In the third place, it is not involved in any outside enterprise in any way. President **KENDALL** states that its officers and directors are not engaged in any other business and the management

of the company monopolizes the entire time of its officers. Next, he says that no officer or director serves on the board of directors of any other corporation and no outside financial interest of any nature is represented on its board.

In view of the fact that the collapse of some Chicago companies has been due to unfortunate outside entanglements, the pronouncement of the WASHINGTON NATIONAL shows that at least it is not affected by values of other enterprises in which officers may be interested.

Should Follow Middle Ground

WE HEAR much these days about the drift being away from investment policies in life insurance and the adoption of a higher degree of pure insurance protection. There is much soundness in a policy of this kind, although no company has ever succeeded that devoted itself to writing term insurance exclusively or even majoring on term insurance. It would be possible for a company to write term insurance at a profit but to do so would require higher rates than are charged at present because the selection is against a company in writing term insurance, far more than it is in other kinds of protection.

While primarily the great appeal of life insurance is for protection, at the same time there is a lure in the saving or investment feature. Undoubtedly we

have gone too far in featuring what might be called the more exaggerated or extreme investment forms. This has been due to the fact that people have regarded a legal reserve company as the best exemplification of the ideal investment trust. Since, however, the investment of funds has become of such paramount importance and the changing conditions alter the picture almost from month to month, it does seem to be unwise to run toward those contracts which bring to a company large sums of money that require investment of earnings on those investments to successfully carry out the obligation. There is a middle ground, and a very safe one, which companies can follow, and that undoubtedly will be the course that the sagacious ones will follow.

largest district agency of the company, all states included. In 1929 his business in force totaled over \$10,000,000. His home town has 4,200 people, and the three counties in which he operates a total of 41,700.

Silas H. Cornwall, 81, vice-president of the Phoenix Mutual Life, died last week. He had been with the Phoenix Mutual 65 years. He was born in Canaan, N. Y., and began his career with the Phoenix Mutual as an office boy in 1868, when he was 16 years old.

A. C. Green, vice-president Federal Reserve Life, celebrated his 50th birthday anniversary Nov. 4. The home office presented him with a huge birthday cake, decorated with 50 candles and bearing the name of every member of the home office personnel.

J. C. Garland, 76, general agent of the Northwestern Mutual Life at Dubuque, Ia., since Sept. 7, 1903, and one of the

oldest active agents of the company in point of service at the time of his death, died at Dubuque Monday following an attack of pneumonia. Grant L. Hill, director of agencies, and J. P. McDonald, secretary agency department, attended the funeral from the home office. The four other Iowa general agents and many other representatives of the company in that state were also in attendance.

Charles C. Winter of the actuarial department of the Aetna Life was presented with a cocktail set and flowers on the occasion of the completion of 60 years in the service of that company. He is 78 years of age but is at his desk every day and is a member of the company's bowling team.

C. C. Clabaugh, superintendent of agencies Maryland Life, has been named chairman of the Civitans. International citizens military training camp committee of the United States.

up the largest combined volume of ordinary, industrial, and monthly premium business ever experienced in the history of the company. The Pilot industrial division recently celebrated its 13th anniversary.

Reserve Loan Quits Virginia

The Reserve Loan Life has notified the Virginia department that it is planning to withdraw from that state Nov. 15. This step, it was indicated, is part of a plan to consolidate its territory. It has something over \$1,000,000 insurance in force in Virginia.

Acme Life Increases Capital

The Acme Life of Tulsa has increased its capital from \$50,000 to \$300,000. W. R. Shirley is president of the Acme Life.

AGENCY CHANGES

Humphreys to Union Central

Well Known Penn Mutual Life Man Joins Philadelphia Office as Assistant Manager

An appointment of interest to life insurance people is made by the Philadelphia agency of the Union Central Life. In order further to develop plans for intelligent service to the brokerage field and to intensify its work in the development of man power in the agency, Ralph Humphreys was appointed assistant manager.

Mr. Humphreys has, for many years, been prominently identified with the life insurance field in the Philadelphia district, having been manager of the Penn Mutual Life home office agency from 1905 until 1922, during which time the agency showed a production increasing from \$4,000,000 to over \$20,000,000 annually. Following this, Mr. Humphreys was an official in charge of the general agency development work of the Penn Mutual at the head office until 1930, when he entered the production field in New York and in Philadelphia.

Lamb New General Agent of Northwestern National Life

W. N. Stafford, home office representative of the Northwestern National Life in Chicago, announces the appointment of Edmund E. Lamb as general agent with offices in One La Salle building in that city. Mr. Lamb was a graduate from Loyola University in 1919, after which he practiced law with the firm of Winston, Payne, Strawn & Shaw in Chicago. He served as an officer with the navy during the war and started as an agent of the Equitable Life of New York in 1920. Because of his record as an agent he became life manager in 1924 for W. A. Alexander & Co. agency for the Penn Mutual Life. His record in agency work was outstanding from 1924 to 1928 and in consequence he was invited to become manager of the home office agency of the National Life U. S. A. in 1928. Within two years after his appointment to this position his organization produced in excess of \$4,000,000 of business.



E. E. LAMB

P. S. Lombard

P. S. Lombard, who has been assistant manager of the John Hancock at

NEWS OF THE COMPANIES

Victory Mutual Life Plans

Company Assimilating the Business of the Victory Life and Writing New Insurance

The Victory Mutual Life of Chicago, which took over the Victory Life business when it went into the hands of a receiver, is now completing the details of the transfer. The receiver of the Victory Life withholds sufficient cash to meet all possible claims of the old company. The Victory Mutual Life is assimilating the business. The new company is operating only in Illinois and is getting most of its business from Chicago.

John Holloman, its first vice-president, is president of the Pyramid Mutual Life of Chicago. J. E. Mitchell, the secretary, was formerly secretary of the Underwriters Mutual of Chicago. I. J. Joseph, one of the directors, who is in charge of the conservation and transfer department, was secretary of the Victory Life when it started and later retired from the company's service. Dr. L. K. Williams, the president, is pastor of Olivet Baptist church, which is the largest Negro Baptist church in the country.

Officers Hope to Restore the Underwriters Mutual

The Underwriters Mutual Life of Chicago, for which a receiver was asked at the instance of the Illinois insurance department, is given until the end of November to make good the impairment. W. A. White, who formerly had charge of claims, is now the president and S. K. Kinnard, superintendent of agencies, is also elected secretary. The officers hope to arrange for additional funds to put the company in shape where it will pass muster. President White is regarded as an honestly intentioned business man and it is felt that he will be able to guide the company into clearer waters. It writes industrial life, health and accident.

Receiver for Washington Life

H. O. Bates has been appointed receiver for the Washington Life of Logansport, Ind. This was a stock company, which was licensed by the Indiana department last May. The company had bought a home office building in Logansport and it is understood that, with the drop in temperature and a vanishing coal pile, other tenants in the building were wondering Monday who would be paying to keep them warm. Robert Spencer was president; R. C. Bobbitt, vice-president, and W. H. Kershner, secretary-treasurer.

Prudential Analysis Made

Interesting Survey of the Claims Paid During the First Nine Months of 1933

The Prudential paid 267,349 claims totaling \$18,478,948 during the first nine months of the year. The industrial policyholders received more than \$45,000,000 divided as follows: Death claims \$34,524,649; paid up additions \$5,667,723; matured endowments \$3,074,448; additional death benefit \$1,573,031; disability payments \$1,001,218. The intermediate policyholders received in death claims \$5,650,642, additional death benefits \$499,150; disability \$173,851. The ordinary policyholders received in death claims \$44,611,058, matured endowments \$8,367,220, annuities \$1,772,737, additional death benefits \$1,563,422. It is interesting to note that 12,712 claims amounting to \$5,549,559 were on policies less than one year in force.

Stage Inflation Contest

As a business stimulant for the last quarter of the year, the Protective Life is conducting a contest, a "millionaire inflation contest," to tie in with the current talk on inflation. "Paper money" is issued on all business paid for during October and November. The money or scrip is redeemable in gifts which the agent can give to friends, prospects and policyholders for Christmas.

Receiver for Woodman Union

The Woodman Union Life, Negro fraternal of Hot Springs, Ark., has been placed in receivership by the circuit court at Little Rock. Verne McMillen was appointed receiver. The federal court there named H. H. Julian receiver for its property pledged to the Reconstruction Finance Corporation to secure a \$160,000 loan.

Attorney General Norwood in his petition asserted the fraternal has old claims totaling \$111,498 unpaid, in addition to claims of \$22,275 filed since Sept. 15.

Charter Tennessee Company

A charter has been granted by the secretary of state of Tennessee to the Old Hickory Life & Accident of Knoxville, which is capitalized at \$250,000. The incorporators are Ben H. Testerman, H. S. Bennett, H. T. Poore, T. H. Cox and L. B. Holt.

Pilot Life's Big Week

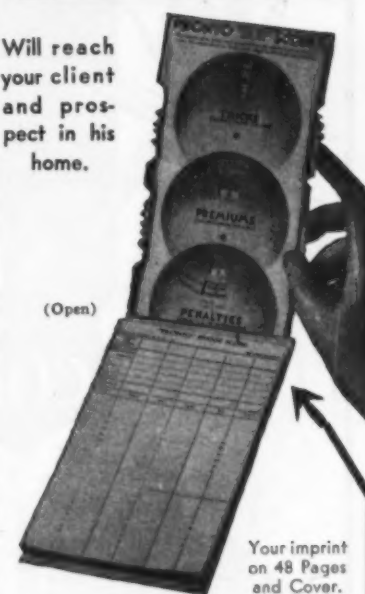
Designating the week of Oct. 23 as "Clement Week," in honor of their superintendent, W. B. Clement, the field force of the industrial division of the Pilot Life of Greensboro, N. C., rolled

YOUR NAME ON

PRONTO

INSTANT CONTRACT BRIDGE SCORER

Will reach your client and prospect in his home.



Your imprint on 48 Pages and Cover.

A dignified advertisement that is read by your client and prospect during his leisure at home builds Good-will and Creates New Business.

PRONTO "hits" at home!

"Flip the wheel" and PRONTO'S Patented Mechanical Scoring Device, built into the cover, ADDS and gives THE SCORE Instantly.

Your business card on the cover and on each of the 48 sheets of the pad keeps YOUR NAME constantly before the user.

It makes a long-lasting and always welcome advertisement yet costs little more than the price of a telephone call.

CENTURY SPECIALTIES CO.

245 Seventh Avenue
New York City

Write today on your firm letterhead for sample and price list and enclose 10c to cover postage and cost of handling.




Actual Size—3 7/8" x 6 3/4"

(Front Cover)

JOHN C. JONES CO.

INSURANCE


12 Ware St. Omaha, Neb.
Tel. 6284



Outstanding
by
any
STANDARD
of
COMPARISON

EQUITABLE LIFE
LIBERTY NATIONAL LIFE INSURANCE CO.
OKLAHOMA

Family Income



Liberty National Life Insurance Co.
BIRMINGHAM, ALA.

Camden, N. J., has been promoted to manager and transferred to Wilmington, Del.

R. E. Parker

The Yeomen Mutual Life of Des Moines is opening a district office at 320 Citizens Trust building, Fort Wayne, Ind., with R. E. Parker in charge. He has been with the company 15 years as state supervisor. Records and equipment of the Indianapolis office have been transferred to Fort Wayne.

R. H. Ballou

R. H. Ballou of Providence has been appointed by the Prudential as manager of its ordinary department for Rhode Island and eastern Connecticut. He succeeds E. S. Tuttle, who has been appointed superintendent at Brockton, Mass.

F. G. La Motte

The Continental American Life has appointed F. G. LaMotte manager of its Baltimore branch office. Prior to entering life insurance at the beginning of 1930, Mr. LaMotte was for a number of years with the Mercantile Trust Company of Baltimore in its real estate and trust department. He has been with the Massachusetts Mutual in Baltimore.

He succeeds H. G. Kingsley, who resigned to take another position in New York.

Packard-Jones Agency Company

The Montana Life has appointed the Packard-Jones Agency Company, Salt

Lake City, general agent for Utah and eastern Idaho. The principals are F. C. Packard and Ralph M. Jones. Offices are in the Utah Savings & Trust building.

Albert Lipschultz

Albert Lipschultz, a big producer in the Equitable of New York's organization in Chicago for 12 years, has been appointed unit manager in the Sam Lustgarten agency of that company in Chicago.

Pan-American Appointments

E. J. Hicks, Seminole, Okla.; R. G. Kent, Evansville, Ind.; C. S. Ramsey, Mishawaka, Ind.; R. C. Ward, Mobile, Ala., and Hughey Johnston, Windsor, Mo., are new district managers appointed by the Pan-American Life.

Parke Houston

Parke Houston, formerly general agent of the Aetna Life at El Paso, and more recently state agency supervisor for the Old Line Life of Milwaukee, is now with the Aetna Life at Austin, Tex.

Life Agency Notes

Walter Widmayer has been promoted to manager of the brokerage department of the D. T. Johns agency of the Pacific Mutual in Los Angeles.

Jack McCord has resigned as general agent at Los Angeles for the National Life of Vermont and will devote his entire time to personal production. He has been with this company 12 years and before going to Los Angeles nine years ago was general agent at Bloomington, Ill.

AS SEEN FROM NEW YORK

By R. B. MITCHELL

HALL HAS BIG MONTH

The full-time department of the J. Elliott Hall agency of the Penn Mutual Life in New York City paid for the biggest October business in its history last month, exceeding October, 1932, by 20 percent, and bettering all previous Octobers in the agency's 12 year history. The full-timers paid for \$1,244,000 out of the entire agency's production of \$1,765,000. The record was based on 216 3/4 lives.

The best previous October record in the full-time department was in 1930, when this group of agents paid for 190 lives for \$1,228,768. These figures corroborate Mr. Hall's expressed belief that if an agent or agency increases its number of lives, it will at the same time increase its volume. Mr. Hall has for many years believed that general agents should concentrate on development of their full-time men rather than on brokerage business.

The full-time department's excess for the first ten months of this year over the first ten months of last year is 138 lives and \$665,000 of business, resulting in a "plus" for the agency as a whole during the same period, as well as for the month of October.

GAINS IN OCTOBER

Due largely to better organized sales methods and more intelligently directed efforts on the part of agents, rather than to any perceptible improvement in business conditions, many of the leading New York City agencies registered gains in paid-for business during October as against October, 1932. Other offices came very close to equaling their figure for October of last year.

After a generally favorable August, September proved somewhat disappointing. October results, therefore, were looked forward to with considerable interest, as indicating whether the August upturn was of real significance or whether September was more indicative of the true trend. Evidently life insurance production is sharing in the general business uptrend. Hard and intelligently directed work, however, is being given

more credit than any lessening of sales resistance that might be traced to better business conditions.

Evidence of this energetic digging for business is to be found in the number of small and moderate-sized cases in October's production. Exhortations to concentrate on number of applications and let the volume take care of itself have apparently taken root.

The J. Elliott Hall agency of the Penn Mutual Life paid for \$1,765,000 as against \$1,483,500, and for \$15,880,000 as against \$15,543,000 for the year to date.

C. E. DeLong, Mutual Benefit Life: October, \$1,580,000 as against \$1,191,000; year to date, \$19,765,000 as against \$15,628,000.

C. B. Knight, Union Central Life: October \$1,511,000 as against \$1,264,500.

J. M. Fraser, Connecticut Mutual Life: October \$1,048,000 as against \$1,121,000; year to date, \$8,997,000 as against \$11,416,000.

The figures of J. S. Myrick, published last week, were \$1,572,056, a gain of about \$56,500 over October, 1932.

KIDD MADE SUPERVISOR

F. H. Kidd, who has been with the Alexander F. Gillis agency of the Provident Mutual in Newark, has been made supervisor of the Driggs Agency of that company in Brooklyn.

Ruling on Liquor Dealers

H. A. Baker, medical director, and J. A. Budinger, actuary of the Kansas City Life, have ruled that "owners and managers of taverns or shops engaged solely or chiefly in the sale and service of alcoholic beverages are acceptable only on the C. I. B. forms. Bartenders, waiters, etc., are not acceptable on any plan."

Set 1934 Meeting Dates

The 1934 joint meeting of the Life Insurance Sales Research Bureau and Association of Life Agency Officers will be held in Chicago Oct. 30-Nov. 1.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Dividend Decision Explained

New England Mutual Concluded to Maintain Present Scale Only After Long Study

The decision of the New England Mutual not to change its dividend scale for the year 1934, according to announcement of President George Willard Smith, was based on a careful analysis of the strength and earnings of the company by its officers and by the finance committee of the directors.

"The annual distribution, although called a dividend," Mr. Smith's announcement states, "is in no way similar to the dividends declared by stock corporations. In a mutual company the so-called dividend is merely a return to the policyholder of such portion of his annual premium as has not been required to meet the year's policy claims, expenses and reserves."

"Actuarial and investment calculation warrants a continuation of the present dividend scale for the coming year; therefore the company and its directors consider it their duty as trustees of the funds of this mutual company to continue the present scale for the year 1934."

The New England Mutual, however, is reducing the interest on trust funds left with the company and on dividends left on deposit from 4 1/4 percent to 4 percent.

Atlantic Life

The Atlantic Life announces a readjustment income plan under which the head of a household can provide an income of \$100 (or more) a month to his family during the period of readjustment through which they must pass after the loss of the breadwinner. The plan provides an income to a beneficiary for periods of one, two, three, four or five years, as the insured desires. The face amounts of the insurance so required for \$100 monthly are as follows:

Gets Out "Income Provider"

Sun Life of Baltimore Issues a New Policy That Is Sold in a Series

The Sun Life of Baltimore has put out a new policy known as the "Income Provider." It gives a regular monthly income for any desired period after the assured's death. This enables the dependents to meet their regular monthly expenses without sacrificing any of their assets or lump sum insurance. Series No. 1 provides \$100 a month or any multiple of \$25 in excess thereof for 12 months, the first payment to be made on receipt of satisfactory proof of death. Series No. 2 will extend this income for another year. Series No. 3 will provide a third year's income, etc. It will issue as many series as desired.

Action on Annuities

The John Hancock Mutual Life expects to raise its annuity rates Jan. 1, as will the New England Mutual on retirement annuities.

The actuarial department of the Provident Mutual Life is working on its experience to see whether its rates will be increased.

The following companies have already put in annuity rate increases: Metropolitan, Prudential, New York Life, Equitable Life of New York, Travelers, Mutual Life of New York, Aetna Life, Sun Life of Canada, Mutual Benefit, Massachusetts Mutual, Penn Mutual, New England Mutual, Connecticut General, Connecticut Mutual, Canada Life, Phoenix Mutual and National Life of Vermont.

quired for \$100 monthly are as follows: One year, \$1,176; two years, \$2,313; three years, \$3,412; four years, \$4,472; five years, \$5,498.

ian Life, speaking at a meeting at Green Bay, said that the past few years there has been a tendency to emphasize the depression as a depression, and not simply as a day when times are hard.

"There is a certain challenge in the words 'hard times,'" he said. "It makes us want to stir ourselves and overcome obstacles, while in the word 'depression' there is a kind of despondency, defeated feeling, which, it seems to me, does not help us any."

Appleton, Wis.—President G. R. Wetengel reported on the National association convention, followed by a discussion of trade practices and ethics in life underwriting, and such problems as the advantages of an insurance estate in regard to state and federal inheritance taxes, the claim of creditors on a bankrupt individual's life insurance and similar matters.

Lincoln, Neb.—R. B. Hull, managing director National association, addressing 300 life insurance men and buyers of insurance, said the real struggle today is between enlightened capitalism and economic radicalism, and that if industry and commerce are to endure they must be administered for the greatest good of the greatest number.

Wichita, Kan.—The Wichita association closed a membership drive with 24 new members. It was divided into two teams, the "Life Term," headed by Paul Aurell, and the "Life Expectancy," with Roy Schroeder as captain. Each secured 12 new members.

Baltimore—The Baltimore association adopted resolutions opposed to "unsound monetary policies" and in "favor of the continuance of a sound currency." Copies of the resolution were forwarded to

President Roosevelt, Secretary Woodin, Governor Ritchie, the insurance commissioner of Maryland and the National association.

Des Moines—W. R. Chapman, assistant director of agencies Northwestern Mutual Life, Milwaukee, spoke Friday on "It's All in Your Point of View." While in Des Moines Mr. Chapman also addressed a general agency meeting of J. J. Hughes in that city.

B. W. Clark, Iowa commissioner, will discuss "Receiverships and Reinsurance" at the Dec. 2 meeting.

Little Rock, Ark.—R. B. Hull, managing director National association, praised the NRA and declared "the real conflict today is between enlightened capitalism and economic radicalism." He quoted reports from many industries to show an upturn in business in recent months.

Cleveland—Henry W. Abbott, Pittsburgh general agent Massachusetts Mutual, will speak at the November meeting.

Jefferson Standard Campaign

In order to promote real interest in the November production by the Jefferson Standard Life agents, in honor of President Julian Price during his natal month, the agency department has drawn on various officers to go into the field covering various parts of the territory. The officials called to the colors are Vice-President Elmer Leak, Agency Manager Reid Perkins, Secretary Joseph Bryan, Actuary Ralph Coit, Superintendents of Agencies Childre, Klingman and White and Assistant Secretary Karl Ljung.

NEWS OF LIFE ASSOCIATIONS

Lansing Is Michigan Host

Dr. Huebner Again to Be Featured Speaker—Commissioner Gauss and George Lackey on Program

LANSING, MICH., Nov. 9.—Plans are being perfected by the Lansing Life Underwriters Association for entertainment of the Michigan association here Nov. 24 for an "Insurance Day" program similar to that carried out for the past four years.

Dr. S. S. Huebner, dean of the American College of Life Underwriters, who has been the chief speaker at the previous state meetings here, will again be present. He will address two sessions. At a luncheon gathering of Lansing business men Dr. Huebner will discuss "Recent Important Life Insurance Events and Their Interpretation." He will touch on the insurance moratorium and the effects of currency inflation on insurance. At the agents' meeting he will talk on "Life Insurance in Potential Estates." Commissioner C. E. Gauss will also speak and George Lackey, Detroit, former president of the National association, has been invited to talk.

Boston—C. H. Voorhees, general counsel of the Connecticut General Life, will speak on "Commission Plus" Nov. 15.

He will discuss the use of settlement options and trust agreements.

The Boston underwriters have started a special training course for the June, 1934, C. L. U. examinations, parts 1 and 2. This is being sponsored by the Boston chapter of C. L. U. The course will be held Wednesday afternoons, starting at 4:30 and continuing until the examination, the place being room 904, No. 1 Federal street, and fee being \$12, payable in instalments if desired. Professor C. J. Crobaugh of Boston university is instructor.

Nebraska—President Sebastian of the Nebraska association announces that the annual convention will be held at York Nov. 24. An all-day program will be offered. Headliners will be H. J. Cummings, vice-president Minnesota Mutual Life, and Frank M. See, St. Louis general agent New England Mutual.

Portland, Ore.—H. M. Holderness, vice-president and superintendent of agencies Connecticut Mutual Life, spoke on "Life Insurance and the New Era" at the November meeting.

South Bend, Ind.—At the last meeting C. C. Coyner, service representative Mutual Life of New York, and R. P. Shepherd, supervisor Aetna Life, spoke on "The Approach." Mr. Coyner is the son of C. L. Coyner, Mutual Life manager in Chicago.

Northern Wisconsin—G. R. Boissard, Madison, Wis., president National Guard-

MUTUAL BENEFIT

Since its founding in 1845 strict mutuality,

involving the extension to old members, so

far as possible, of the benefits granted new

members, has been a controlling principle of

The Mutual Benefit Life Insurance Company

Home Office



Newark, New Jersey



Salesmen— Excellent Opportunity

"A New Deal in Life Insurance"

A Dollar's Worth for a Dollar

Mutual Legal Reserve. Participating, non-par rates; estimated average annual cost Ordinary Life, age 35 \$15.38 per thousand; Twenty-Pay Life paid up for \$1,549 plus dividends per thousand in 20 years; Endowment pays \$1,961.54 plus dividends per thousand if policy becomes a claim year it matures. Cash accumulation available any time without note, interest or deduction from face of policy; juvenile with all fine features of adult policies. Unlimited opportunities for agencies in Illinois, Michigan, Indiana, Missouri.

INTERSTATE RESERVE LIFE INSURANCE COMPANY

Mutual Legal Reserve Life Insurance
Ten East Pearson Street CHICAGO Phone Superior 1714

WOODMEN of the WORLD LIFE INSURANCE ASSOCIATION

OMAHA, NEBRASKA Statement—July 1, 1933 DE E. BRADSHAW, Pres.

ASSETS

Government, County and Municipal Bonds (Book Value).....	\$103,205,035.33
Loans on Certificates.....	3,355,877.48
Loans on Real Estate (1st Liens).....	633,009.02
Real Estate.....	1,134,273.97
Cash in Depositories and Office.....	2,023,259.66
Assessments and Installments in Hands of Financial Secre-	
taries.....	611,225.40
Interest Due and Accrued (Estimated).....	2,218,632.90
Other Assets.....	506,098.47
Total Assets.....	\$113,887,612.23

LIABILITIES

Mortuary Claims in Process of Adjustment.....	\$ 903,965.11
Mortgage Payable.....	250,000.00
Miscellaneous.....	112,319.42
Total Liabilities.....	\$ 1,266,284.53
Certificate, Contingent and Other Reserves.....	112,621,327.70
Total.....	\$113,887,612.23

TRIPLE INDEMNITY LIFE INSURANCE

with Weekly Accident Disability
in One Contract for One Premium

General Agency Contracts

available at Bangor, Me.;
Cincinnati, Ohio; Toledo,
Ohio; Erie, Penna.; Har-
risburg, Penna.; Altoona,
Penna.; Williamsport,
Penna.; and Detroit,
Mich.

Inquire

UNITED LIFE and ACCIDENT INSURANCE COMPANY

United Life Bldg., Concord, New Hampshire

DYNAMIC SHORT COURSE

Designed to put a new man into production upon a service basis at end of three days. Price \$3.00 cash with order. Full refund if complete plans are followed and you are not satisfied.

Insurance R & R Service
Indianapolis, Indiana

Send 3 cents in stamps for sample copy
of

The Accident & Health Review

The only exclusive accident and health
paper published.

Address your inquiry to A-1948
Insurance Exchange, Chicago

CHICAGO NEWS

HOLD NYLIC RALLY CAMPAIGN

Agents of the New York Life in the central department at Chicago are now engaged in a production effort which started Oct. 1 to continue through November in honor of the 50th anniversary on Oct. 18 of R. E. Whitney, inspector of agencies at Chicago. Mr. Whitney on that date reached the half century mark in the service of the company. The campaign will be closed with the regular fall Nylic rally to be held at the Edgewater Beach hotel, Dec. 16. There will be a dinner dance and it is expected a home office official will be present and talk.

EQUITABLE FORCE PUTS ON SHOW

A pretentious floor show with performers drafted entirely from the Chicago agencies of the Equitable of New York was put on as the feature of a party and dinner held by the company's Chicago agencies Nov. 4. Ned Becker, a unit manager in the Sam Lustgarten agency, who was a theatrical producer for a number of years, directed the show and took part. There was a pony ballet and some 30 performers. So rousing was the applause of the 700 people attending that the show will be repeated at least once as a public attraction. The central department of the Equitable directed by Superintendent of Agencies William Rothaermel has started its annual November football campaign. This year instead of matching agencies, unit is vying against unit. A dinner to be held in Chicago will close the campaign, each losing unit manager to help underwrite the cost, and the managers chipping in. Points are being counted solely for number of applications, without regard for volume.

MAKES NEW ORGANIZATION QUOTA

The New York Life's Clearing House branch in Chicago, Frederick Bruchholz, agency director, has paid for its 1933 allotment for business from new men.

BEHRENS INSURANCE CHAIRMAN

H. A. Behrens of Chicago, president of the Continental Casualty and Continental Assurance, has been appointed chairman of the insurance committee of the Illinois chamber of commerce to succeed John H. Camlin, local agent at Rockford, who is shifted to the chairmanship of another committee. Mr. Behrens has high qualifications for the position he is undertaking. He is regarded as a most useful man to the business. He gives his time and thought unstintedly and unselfishly for the betterment of all.

CHICAGO RESULTS VARYING

On the whole, new paid business for the ten months this year in Chicago agencies probably is off somewhat from the figure for the same period last year, but results are spotty. For instance, the agencies of one large company reported they were 22 percent behind the figure for last year. Agencies of other companies also reported a falling off in new paid business, and yet a number of agencies of long standing reported substantial advances for the ten months. One stands ahead 15 percent. It is a little difficult to analyze results which vary so widely between great companies of high standing and between agencies which appear to be thoroughly modern and aggressive in their methods. Loans reported through Chicago agencies are pretty well down and terminations are said by some agencies to be nearly normal. Premiums quite generally are high, due to the large volume of income and annuity plans being sold.

Wm. Hartnett and C. L. Byrne have been appointed superintendents in St. Louis and Dayton, Ohio, respectively, by the Western & Southern Life.

He Knew It All!

"I am ready to die," said an old man in a backwoods region; "I've seen everything there is to see and know all there is to know."

Along came a Yankee traveler and showed him how to light a pipe with a magnifying glass.

The old man (so the story goes) became convinced there were still a few things he might learn and took a new lease on life.

☞ No one class of people has a monopoly on limited vision. It is also the bugaboo of many life un-

COMMONWEALTH CORDIAL CO-OPERATION

derwriters who feel that they know it all when just the surface has been skimmed.

☞ Commonwealth Cordial Co-operation does the most good for the underwriter who keeps his eye on the distant horizons of achievement; who knows of a few "new" methods that won't work but is not disillusioned or discouraged by them, who keeps an open mind on the question of selling, and can apply intelligently the sales helps offered him. For such an underwriter, Commonwealth cooperation will make sales easier.

COMMONWEALTH
LIFE INSURANCE CO.
LOUISVILLE, KY.

Illinois Law Now Strictest in U. S.

(CONTINUED FROM PAGE 2)

The principle that the buyer must beware has never been the basis in life insurance. An agent may say, as many have, 'Well, the insurance department has licensed this company so it must be sound.' But this always was a fallacious argument and is so more than ever today.

"If an agent hasn't financial sense, then he should go to some one who has it and find out the truth about a company's standing. The people are learning differently about insurance as they have about banks. It used to be considered that any bank whose doors were open was sound.

"The burden falls directly on the agent and if he selects an unsound company for his clients then he is directly to blame when the inevitable occurs."

Now Need Banking Portfolio

Mr. Behrens said however much life insurance executives shrink from the thought that they are at least partly in the banking business, they must recognize that such is the case. In many respects life companies and banks perform about the same function. A life company, therefore, must maintain a banking portfolio. It must have a portfolio sufficiently liquid. It cannot do business on trick values. It has to have proper diversification of assets. If a participating company cannot pay the usual policy dividends and a stock company cannot pay stockholders' dividends, then that is just too bad. The first responsibility is to maintain soundness of the insurance.

Sees Future in Small Policies

Mr. Behrens concluded with the statement that the immediate future for agents is in production of small policies. He said that is the insurance most needed. If this insurance is properly placed ultimately it will result in the sale of larger policies to these clients. He predicted that there will be new faces in industry and finance in the next five years, and many of these will be the people who are now being written for small amounts.

Protective Group Approves Contract

(CONTINUED FROM PAGE 3)

tration of the company's affairs and the committee believes the policyholders' present security is comparable to that offered by other life insurance companies.

The committee gave much consideration to the abrogation or modification of the contract with the General American Life, if that were possible, and decided that to attempt breaking the contract or changing it would be "mimical to the best interests of the policyholders and should be discouraged by them."

Liquidation Disastrous

"Liquidation at best is very expensive and under present conditions would be disastrous," the report states. "Reinsurance on better terms than those in the present contract does not appear practicable, as no other company has indicated a willingness to put new money into the institution."

The committee stated that all suggested modifications of the contract had been carefully considered but in each instance were found discriminatory or without significance.

The 50 percent policy lien placed on some of the policy reserves was unavoidable because laws of different states require insurance companies to accumulate out of premiums a fund or legal reserve to cover future liabilities under such policies. When the Missouri

State Life was declared insolvent, not only were the capital and surplus of the company wiped out but a deficit of \$29,000,001 existed in the policy reserves, the report explains.

Will Pay Off Liens

The committee believes that the present policy liens will be fully paid off from earnings during the 15-year period that the agreement with the General American Life has to run. It is provided that all of the interest paid on such liens shall go into the fund used to reduce the amount of the lien against each policy. The charging of the 5 percent interest on the liens was obligatory, the committee stated, in order to meet the legal requirements of the policy reserves.

Pays \$1,400,000 in Claims

In commenting on the protective committee's report, its chairman, R. C. Newman, who was also a leading producer of the Missouri State Life, said that the General American has already paid more than \$1,400,000 in claims on Missouri State Life policies. He commended the reinsurance arrangement and the prompt action by Superintendent O'Malley in protecting the policyholders' interests without costly delays due to legal and factional claims aired in the courts. He said that all reinsurance contracts in the future will be patterned after the General American contract.

SOME EXEMPT FROM LIEN

DES MOINES, Nov. 9.—A 50 percent deficiency lien placed against policies of the Missouri State Life at the time of its reinsurance by the General American Life will not apply to about 2,500 Iowa policyholders, according to Commissioner Clark. These particular policies were originally written in the Provident Life of Iowa and Standard Life of Illinois, absorbed by the International Life, which in turn was taken over by the Missouri State. Payment in full is by agreement of W. W. Head, president of the General American, and Mr. Clark.

Assets Inventory Made by Receiver

(CONTINUED FROM PAGE 2)

Oakridge Abbey, first 6½ percent, carried at \$327,250.

An unusual feature of the receivership is that many ancillary receivers in other states have indicated a desire to cooperate with Receiver Lucey. In most receiverships, funds in other states are seized, assets liquidated and held for the benefit of residents of those states.

Ohio Remits to Illinois

However, in Ohio a court order was secured permitting the ancillary receiver there to accept premiums on National Life, U. S. A., policies and forward them to Receiver Lucey. Missouri, Indiana and Arkansas are impounding premiums and forwarding statements of account. Other states in which ancillary receivers have been appointed are said to be doing the same thing.

Temporary ancillary co-receivers were appointed in Georgia. These are G. H. Cornwell and E. G. Webb. Commissioner John J. Holmes of Montana was appointed ancillary receiver there.

Receiver Lucey in Illinois last Saturday secured a standing order from Superior Judge Lindsay authorizing him to continue to pay reinsurance premiums, ranging from \$10,000 to \$25,000 per month as they fall due. Another order authorizing the meeting of general expenses and maintenance and repair costs on real estate held also was secured.

To Seek Another Order

Within a few days the receiver will seek an order permitting him to remit proceeds of maturities on collateral put up with the R. F. C. for loans. The National Life, U. S. A., secured approxi-

mately \$2,000,000 loan from the R. F. C., but this account has been reduced to about \$1,500,000.

F. J. Bartsch, assistant in the Illinois insurance department liquidation bureau, an experienced man who has served under former State Liquidator A. S. Keys and in many other liquidation proceedings, is one of the men steadily on the job in the National Life, U. S. A., home office.

SEEK RECEIVER IN MICHIGAN

LANSING, MICH., Nov. 9.—Petition for an ancillary receivership in this state for the National Life, U. S. A., of Chicago, was filed in Ingham county circuit court by Insurance Commissioner Gauss. Judge Carr set Nov. 10 as hearing date. The petition asked designation of R. M. Wade, second deputy commissioner, as Michigan ancillary receiver. The National Life U. S. A. owns the Detroit building formerly occupied by the Michigan Mutual Life which was purchased by the Chicago company several years ago. A large volume of Michigan business was acquired in this deal. It is the intention not to liquidate properties in Michigan but to forestall enforcement of judgments secured by creditors and sale of assets at unwarrantably low prices.

Possible Hazard of Premium Extension Agreement Debated

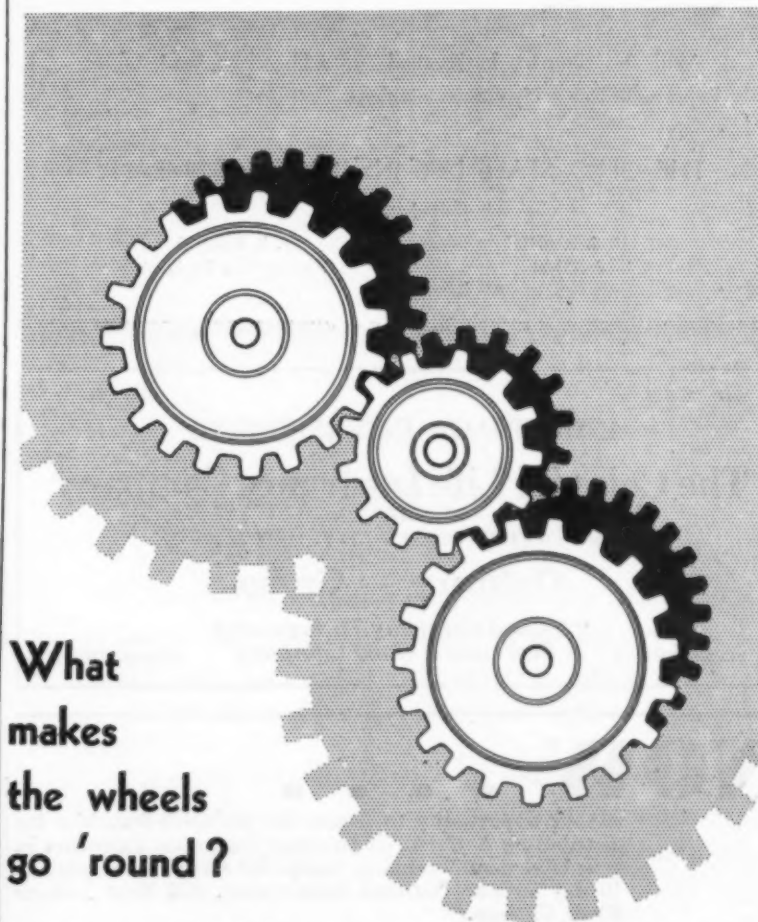
(CONTINUED FROM PAGE 1)

agents' license, even though misrepresentation could not be proved. Some agents who are legitimately rewriting policies are protecting themselves by securing statements at the time applications are obtained certifying over applicant's signature there has been no misrepresentation.

President W. M. Johnson of the club, vice-president and actuary Central Life of Illinois, stated there is no doubt that if the present Illinois investment law had been in effect and enforced in the past, some of the recent Illinois failures would have been avoided. Vice-president Ralph Booth, who is statistician Travelers' branch, Chicago, and Secretary J. A. Roberts, of the Continental Assurance, contributed views on the premium extension subject.

Shurtleff with the Corn Belt

L. E. Shurtleff, who has been connected with life insurance for 20 years, is the new agency superintendent for the Cornbelt Life, Lincoln, Neb. He was an executive of the Service Life.



What makes the wheels go 'round?

The motive power of enthusiasm makes sales . . . keeps the wheels turning.

Enthusiasm is that unquenchable fire in man which gives him the power to conquer seemingly unsurmountable obstacles.

Those of us who spread the gospel of life insurance should be enthusiastic . . . It is one of the few investments that have been dependable . . . It has helped to keep homes intact . . . to buy food . . . to make life more livable.

Never was there a time when the public was more life insurance conscious . . . and the salesman with the enthusiasm will reap the rewards.

**THE MIDLAND MUTUAL
LIFE INSURANCE CO.**

Columbus, Ohio



For 27 Years the Slogan
has been



"SAFETY AND SERVICE FIRST"

The first six months of 1933 has been no exception, for the Ohio State Life Insurance Company continued to make progress in financial strength, as shown by the increases in its Cash, U. S. Government Bonds, Reserves for the Protection of Policyholders and Total Assets. This growth was maintained in the face of unfavorable financial conditions, and is the result of the conservative financial policy which has guided the Company throughout its 27 years of service to its policyholders. Every obligation has been promptly met without selling one of its bonds or borrowing a dollar. The Company owes no debts other than current bills and obligations provided for its own policies. "Safety and Service First" is our continuing pledge.

With this company background and a liberal contract, Oslico Representatives enjoy greater earnings.

THE OHIO STATE LIFE INSURANCE COMPANY

Columbus, Ohio

U. S. BRANDT
President

F. L. BARNES
Agency Vice President

NEW JERSEY

NEW YORK

INDUSTRIAL—INTERMEDIATE

The Colonial Life Insurance Company

OF AMERICA

HOME OFFICE—JERSEY CITY, NEW JERSEY

Ordinary — Group

"A Good Company To Represent
—Represent a Good Company"

PENNSYLVANIA

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NOW

is your opportunity to secure the exclusive franchise for distributing National Underwriter Insurance Calendars in your city. Send 9 cents in stamps for complete sample and 10 day option. National Underwriter, 175 West Jackson Blvd., Chicago.

POLICY PRESENTATIONS

—easy to fill in
—easy to explain
they help LNL men sell

The LINCOLN NATIONAL
LIFE INSURANCE COMPANY FT. WAYNE INDIANA

News of Pacific Coast States

Company Officials on Coast

Wilde, Kruse, Holderness and Morss
Visit General Agencies—Confer
with Local Managers

F. B. Wilde, agency vice-president of the Connecticut General Life, spent several days in San Francisco in conference with Manager M. L. Fairchild.

J. Roy Kruse, president California-Western States Life, who has been visiting agencies in Texas and Oklahoma, has been in Los Angeles.

H. M. Holderness, vice-president in charge of agencies for the Connecticut Mutual Life, held a meeting in Los Angeles with the S. S. Northington general agency. Mr. Holderness discussed the stable financial condition of the company. Mr. Holderness also visited San Francisco and Seattle.

F. C. Morss, manager of agencies for the Provident Mutual Life, was in Los Angeles on the last lap of a visit to the Pacific Coast agencies. A meeting was held in his honor by the Los Angeles agency, J. H. Cowles, general agent. Mr. Morss outlined plans for increasing new production.

To Rewrite Utah Code

SALT LAKE CITY, Nov. 9.—Because of some adverse criticisms of the insurance code when it was submitted to the state recovery administration at a public hearing a committee of 11 will write another code. Five of this committee will be life men, four fire and two casualty and surety. The new code is to be submitted in two weeks and in the meantime a temporary code suggested by the recovery administration will be in operation.

New Group Office Opened

LOS ANGELES, Nov. 9.—John Patton, resident supervisor at Chicago for the group department of the Equitable Life of New York, was here to assist in the installation of Maj. W. O. Hershey as group supervisor in charge of the western department, the headquarters of which have been removed from San Francisco to Los Angeles and are now located in the Board of Trade building. Major Hershey has been supervisor in the group annuity department of the western division.

October Proves Big Month

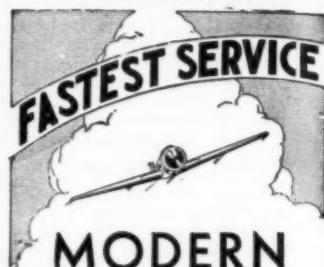
Ira L. Gregory, Portland, Ore., general agent Mutual Benefit Life, reports October the best month for paid-for business since 1929. The increase over October, 1932, was 182 percent. This was the fifth month of 1933 which was

ahead of the corresponding month of 1932.

For the year to date the Portland agency has placed 23 percent more policies in force than in 1932. The average policy has jumped 12 percent in amount.

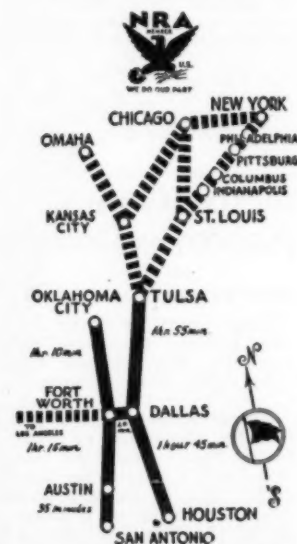
H. F. Whittle Vice-president

H. F. Whittle of Minneapolis has been appointed vice-president of the Acacia Mutual in charge of mortgage loans. He has been that company's mortgage loan correspondent in Minneapolis and has been active in mortgage banking affairs in his city and nationally.



MODERN BUSINESS DEMANDS SPEED

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MODERN BUSINESS-GETTING METHODS

Self-Organization Stressed by Leaders in Sales Course

NEW YORK, Nov. 9.—The life underwriter bent on increasing his production should not attempt to overwork his will-power but should supplement grim determination with certain definite objectives which by their nature will stimulate his best efforts, Vincent B. Coffin, superintendent of agencies Connecticut Mutual Life, told some 500 life agents attending the two-day intensive sales course sponsored by the New York City Life Underwriters Association.

Besides Mr. Coffin the other members of the sextet of well-known life insurance educators who talked were Vice-president G. M. Lovelace, New York Life; Leon Gilbert Simon, Equitable of New York, authority on business insurance; J. E. Bragg, manager Guardian Life of New York and former director New York University life insurance course; R. G. Engelsman, general agent Penn Mutual Life, and D. B. Maduro, counsel New York City association.

Self-organization Not Easy, Says Vincent Coffin

"The tough part of any program of self-organization," Mr. Coffin said, "is getting ourselves to do it. We have got to have the stimulus in addition to will-power. Beyond a certain point there is no such thing as 'forcing' your-

self to do things, but you can build up desires which will impel you to drive for your objectives.

"In planning your objectives the only reasonable starting point is of course your minimum financial needs for yourself and your family, and this means keeping accurate records of your work so you will know your average commission per sale, average number of interviews per sale and average number of calls per interview.

"But, unreasonable as it may seem, the 'marginal factor' among a man's objectives is usually a stronger stimulus to effort than the need of keeping his family supplied with the necessities of life. That is, a man will work harder in order to buy a new car, or to send his son to some particular school, or to attain some other aim which is more of a luxury than a necessity, than he will work if all he is thinking about is getting enough to live on.

"So, set yourself some definite objective that 1934 is going to yield to you and your family, something that you didn't have this year. You will find yourself working with far less 'forcing' than if you were just relying on the usual routine objectives.

"Another valuable stimulus is the desire for money. I don't mean money in terms of the usual expenditures, but

money coming into your bank account and building it up. We have been too prone to worry about agents stressing their own profit to the detriment of their policyholders, but experience shows that there has been relatively little to fear on that score. The good agent is usually one who goes after money as one of his objectives. It isn't a bad idea to think about the money angle in this wonderful service job."

Mr. Coffin gave practical suggestions on planning work. In laying out work for the month the agent should write down the names of all persons whom he reasonably thinks he can close during the month, and the amount he can sell them. Experience has shown that if the figures and names are fair, he will close about a sixth of the total amount.

Points in Analyzing the Agent's Job

In laying out the week's work it is a mistake, Mr. Coffin said, to postpone to the end of the week prospects whom there is the best chance of closing. While many agents do this in order to have a sure thing to fall back on and close the week with, the psychological effect on the agent is much better if he will go out and close these prospects at the beginning of the week. There is also a psychological advantage in planning one's work the night before so as to be able to "sleep on it" before the interview.

In analyzing his job the agent should ask himself, "Am I doing anything to produce the type of contacts I want?"

C. L. U.

The Topeka Life Underwriters Association has organized a C. L. U. course at Washburn College, Topeka, headed by Prof. F. R. Niehaus.

At the Los Angeles Chartered Life Underwriters luncheon-meeting Verne Steward, instructor of the University of Southern California, discussed "The Selection of Agents."

More than 100 underwriters in Los Angeles are now studying for the C. L. U. examinations to be held next June.

Part 2 of the C. L. U. class in Detroit is being conducted by Henry K. Schoch, general agent for the Aetna Life.

If the answer is "No," he should get into such social or civic activities as will produce these contacts, Mr. Coffin advised. The agent also should determine by analysis of his study program whether he is a better posted life insurance man than he was a year ago.

In general, the life underwriter today must intensify his efforts from start to finish, Mr. Coffin declared. If he is well organized and working on a well-charted program, the apparent setbacks of unproductive days will not discourage him, for he knows that his course, if persisted in, will lead him to his goal.

The same time-tried methods of

AN ARROW TO ITS MARK

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prospecting are still working for successful agents, Mr. Bragg said, but the difficulty is getting oneself to do the obvious. A survey of recent cases from a large number of agents has shown that those who are getting the business are using the same basic prospecting methods. There is no easy or mysterious way to go about it, he warned.

"Be satisfied with a good batting average and don't get discouraged and disheartened at turndowns," he advised. "The life insurance business is no place for sensitive souls to whom 'no' means a nervous breakdown and loss of morale for the next 30 days."

"In getting references, don't solicit the reference for life insurance without getting your client's permission. But ask for everything that is in good taste and if you can't get all you ask for, get the next best. Try for an introduction and if you can't get that, go on down the line, and even if you can't get anything at all you are no worse off than if you hadn't asked."

Speaking on annuities, Mr. Lovelace gave some actual cases of wealthy individuals who had lost all their money when they might have assured themselves or their dependents of at least a modest income for life through annuities.

ties. He also told of formerly wealthy annuitants who had now lost everything but their assured income from their annuities.

Mr. Lovelace suggested that in selling the combination single-premium life policy and single premium annuity the ratio of annuity to insurance be increased for the sake of the greater yield. He recommended the single-premium retirement annuity for the man who had a sum of money to invest, because of the good return.

Mr. Engelsman outlined the theory of organized selling and gave several sales demonstrations.

"None of us are resourceful enough to say just the right thing without knowing in advance just what we are going to say," he commented. "The average planned sales talk is made in the agent's office, not in the prospect's. Sometimes you aren't sure whether your talk is going to go over, but sometimes you are positive that you are going to click, because you know that if you were the man behind your prospect's desk, that presentation would make you buy. Of course a planned sales talk won't work every time, but you will do much better by planning your sales talk than by not doing it."

Analyzes 100 Applications

An interesting study of 100 applications was presented by A. G. Gabriel, Detroit general agent Midland Mutual Life, at the Detroit Actuarial Club meeting.

In a study of the source of the applications Mr. Gabriel found:

Source	Apps.	Volume	Av. Apps.
Friend	20	\$ 41,850	\$2,092
Referred	24	35,795	1,491
Policyholder	17	22,050	1,300
Cold Canvass	39	42,365	1,086
	100	\$142,060	\$1,421

A study of the distribution of calls and interviews shows that 26 applications were closed during the first interview. On the second call 15 prospects were interviewed for the first time and closed and eight prospects that had been previously interviewed were closed. The table shows further details:

Interviews				
Calls	1	2	3	Totals
1	26	0	0	26
2	15	8	0	23
3	4	9	0	13
4	3	17	9	31
5	2	1	0	3
6	0	0	3	3
7	0	0	0	0
8	0	0	1	1
	50	35	12	100

The study also shows the distribu-

tion by plans and the distribution by age groups as follows:

Distribution by Plans

Plan	Apps.	Volume	Av. Apps.
Cont. Prem. L.	13	\$ 30,935	\$2,379
Limited Pay L.	22	27,265	1,240
30 Yr. Endow.	3	3,500	1,166
Retire. Endow.	5	8,760	1,752
Term	8	18,500	2,312
Pers. Life Inc.	5	15,600	3,120
Juvenile	44	37,500	852
	100	\$142,060	\$1,421

Distribution by Groups

Age Groups	Apps.	Volume	Av. Apps.
U 20	8	\$ 6,500	\$ 812
20-24	17	19,588	1,152
25-29	30	44,145	1,468
30-34	23	38,707	1,682
35-39	15	14,620	975
40-44	5	8,000	1,600
45-49	2	10,500	5,250
	100	\$142,060	\$1,421

It was found that in closing the 100 cases a brief was used in 39 and no brief in 61. A formal sales talk was used in 87 of the 100 cases closed. Leads were obtained from 35 of the 100 closed, 30 giving one lead and five two leads. Of the 35 giving leads, 23 gave permission to use their name and 12 refused.

WITH INDUSTRIAL MEN

Will Now Clear the Decks

Prudential Decides to Waive Charges Due to Lapses and Arrears of Agents

Industrial agents have been encountering a very difficult time in keeping their debits in any kind of shape because of the high lapse ratio. Where plants have been shut down and people are out of work, havoc has been caused in the operations of the industrial men. Many agents have accumulated penalties and charges for lapses and some have had a discouraging proposition ahead of them. It is now stated that the Prudential has taken the bull by the horns and is canceling all charges due to lapses and arrears so that agents start on a clear slate, they being put in the same position as if they were taking absolutely new accounts. The penalties are being removed not only against agents but assistant superintendents and superintendents. Other companies have been investigating the

situation and it may be found desirable to follow a similar course or at least do something to relieve the pressure.

Prudential Promotions

W. G. Peterson, formerly inspector of division J, is the new superintendent of Chicago No. 17 of the Prudential. He became an agent in Chicago No. 6 in 1921 and was promoted to inspectorship in division J in 1923. P. C. Zimmer, formerly assistant Milwaukee No. 2, becomes superintendent at Oshkosh, Wis. Joseph Drasal, formerly superintendent, having served the company for 35 years, has retired.

Imperial Life Anniversary

The Imperial Life of Asheville, N. C., will celebrate its 28th anniversary Nov. 13. It was organized as the Imperial Mutual Life & Health. The first policy was issued to Secretary A. W. Ek. The organizers were Mr. Ek, J. P. Starnes, J. N. Jarrett and W. B. Starnes. The Imperial Life is conducting a November anniversary drive.

Atlantic City Is Scene of Four Prudential Parleys

Four regional conferences are being held by the Prudential this month at Atlantic City, with about 1,815 representatives expected to attend. Two of the meetings have already been held. The next will be conducted Nov. 14-15 and the last Nov. 16-17. President E. D. Duffield is presiding at all of the meetings.

The next meeting will be attended largely by ordinary managers, assistant managers, special agents and brokers from Baltimore, Brooklyn, Washington, New York, Philadelphia, Pittsburgh and Scranton, Pa.

The company executives present, in addition to President Duffield, include Vice-Presidents Franklin D'Olier, G. W. Munsick, Second Vice-President H. B. Sutphen, Assistant Secretaries E. J. MacIver, G. W. Williams, A. C. Metz, A. E. N. Gray and G. H. Chace and G. H. Potter, assistant to the president.

Among the supervisors attending are H. M. Stewart, I. H. Schmidt, F. H. Yeomans, H. H. Parberry and Sayre MacLeod.

The group department is being represented by Managers A. E. Hosier and C. J. S. Skelly and Assistant Manager A. M. Rollins and F. W. Schmucker.

Starts Classes for Employees

The American Central Life of Indianapolis, according to custom, will offer classes, beginning late in November, to home office employees who intend to take the examinations of the Insurance Institute of America next spring. The American Central started to prepare employees for the examinations in the fall of 1930. In 1932, 12 employees were graduated and of those taking the 1933 examinations, 17 were graduated, 10 with honors.



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